

CURRENT HISTORY



CAN GERMANY PAY?—HER ECONOMIC CONDITION
THE LEAGUE OF NATIONS IN ACTION
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SHALL AMERICA RULE THE WORLD?—(*A German View*)
LITHUANIA'S PLACE AMONG THE NATIONS
CHILE'S DASH INTO TRUE DEMOCRACY
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GERMANY'S ECONOMIC CONDITION

By J. ELLIS BARKER

[BRITISH PUBLICIST, AUTHOR OF "MODERN GERMANY," "ECONOMIC STATESMANSHIP," &c.]

THE economic position of Germany is obscure. The views expressed by private business men, official investigators and journalists are contradictory, and so are the Government reports published by the victorious powers and by the Germans themselves. Not unnaturally the German Government tries to avoid the payment of an adequate indemnity. This aim has influenced its economic policy and has colored the German official and inspired publications. Nevertheless, the existing information suffices for an adequate analysis of the position.

Germany is one of the most densely populated countries in the world. Per square mile there are approximately ten times as many people in Germany as in the United States and almost as many as there are in New Jersey. According to the latest pre-war censuses, population per square mile was 191.2 in France, 372.6 in the United Kingdom, and 311.0 in Germany. Per square mile Germany's population was almost as great as that of the United Kingdom and was 60 per cent. greater than that of France. While the population of France was almost stationary, and while that of England grew at a moderate rate, the German population increased very rapidly. Of late years the increase ranged from 800,000 to 900,000 per annum. The great density of the German population and its rapid increase led to the development of the most intensive production in that country and to the rapid expansion of trade and industries. Germany could obviously not feed her people unless production was very great and continually increasing with the increasing number of those who had to be provided for.

The war has struck a serious blow at German agriculture, at the German manufacturing industries and at German commerce. Each of these three branches

of economic life should be considered by itself.

Unfortunately for Germany the territories on the frontiers which she has lost, or which she is likely to lose, contain a large portion of her most valuable agricultural resources and of her best industrial resources as well. When the peace conditions of the Allies were announced, the German Government brought out figures which showed that if the inhabitants of the areas where plebiscites were to be held should vote themselves away from Germany, Germany's population would be diminished by 13.8 per cent., but that Germany's agricultural and mineral resources would be reduced far more severely. As regards the probable loss of agricultural resources the Government issued the following figures:

SHRINKAGE CAUSED BY TERRITORIAL LOSSES

	P. C.
Wheat harvest.....	17.4
Rye harvest.....	21.7
Barley harvest.....	22.3
Oats harvest.....	15.9
Potatoes	23.3
Clover	18.1
Lucerne	16.5
Hay	13.3
Sugar beets	18.4
Horses	20.6
Cattle	15.8
Pigs	16.4
Sheep	14.2

While the expected loss of territory came to 13.8 per cent., the loss of rye was estimated to amount to 21.7 per cent., the loss of potatoes to 23.3 per cent., and the loss of pigs to 16.4 per cent. As rye bread, potatoes and pork are the staple foods of the German masses, it is clear that Germany's agricultural position has greatly deteriorated in consequence of the war. I have tested the official German figures. They are correct. However, the position has been slightly improved, because the plebiscite

in a portion of Eastern Prussia, which was held previous to the Polish victory, went in Germany's favor. Still, the fact remains that Germany has lost a large portion of her best farm lands and of her best stock-raising territory.

LOSS OF IRON AND COAL

The German frontier districts contained not only some of her best agricultural soil, but also some of her most valuable mineral resources. The German iron and steel industry was by far the largest in Europe. It produced, previous to the war, twice as much as the British iron and steel industry. It relied very largely on domestic iron ore. Fully 80 per cent. of Germany's iron was in Lorraine, which has been ceded to France. The remaining 20 per cent. consists of ore of very inferior value, which is distributed over a number of small fields. Previous to the war, Germany used to import vast quantities of iron ore from France, Belgium and Luxemburg, Sweden, Spain and Algeria. Her former enemies are not very willing to supply Germany with iron ore. They desire to work up their own ores and Germany's financial position makes it almost impossible for her to buy adequate quantities of iron ore from Sweden and Spain.

Coal is the basis of the manufacturing industries. The industrial prosperity of Germany and the rapid expansion of her commerce were due, not so much to German genius and to German industry, but to the fact that Germany had by far the largest coal fields in Europe. Her past superiority in coal may be seen from the following figures, which were placed before the International Geological Congress held in 1913 in Canada:

COAL RESOURCES OF EUROPE

	Tons.
Germany	423,356,000,000
Great Britain and Ireland.....	189,535,000,000
Russia	60,106,000,000
Austria-Hungary	59,269,000,000
France	17,583,000,000
Belgium	11,000,000,000
Spain	8,768,000,000
Spitzbergen	8,750,000,000
Holland	4,402,000,000
Balkan States.....	996,000,000
Italy	243,000,000
Sweden, Denmark and Portugal.	184,000,000
Total	784,192,000,000

Before the war Germany had 55 per cent. of the coal of Europe. She had more than twice as much coal as the United Kingdom and more than twice as much coal as all the other States of the European Continent combined. Germany had three large coal fields, and two of these, the Sarre Valley field and the Upper Silesian field, may be lost to her. Under the Peace Treaty France is entitled to exploit the Sarre mines for fifteen years. At the end of that term the inhabitants are to vote whether they will belong to France, to Germany, or be made independent of both countries. The great majority of the inhabitants of Upper Silesia are Poles, but in that province no plebiscite has as yet been taken. Germany must reckon with the strong possibility of losing the coal mines on the Sarre and in Upper Silesia. The significance of such a loss is made apparent by the following figures:

	Tons.
Coal resources of Sarre Valley.	16,548,000,000
Coal resources of Upper Silesia.	165,987,000,000
	182,535,000,000
Coal resources of Ruhr and other fields.....	227,440,000,000
Total	409,975,000,000

Germany may lose a vast quantity of coal to France and Poland. Still, she would retain a far larger store than that of the United Kingdom. Besides, it must be remembered that Germany is exceedingly rich in lignite, brown coal of low calorific value, which, however, by dry pressure can be converted into a most excellent fuel that is practically equal to bituminous coal. Lignite can be scooped out with huge machinery. At present Germany produces annually about 100,000,000 tons of lignite, which is converted into gas, coke and compressed fuel, and which, owing to its wealth in bitumen, yields a large quantity of valuable by-products. Previous to the war Germany had a world monopoly in potash, of which she possesses gigantic quantities. That monopoly has been destroyed, for large deposits of that mineral occur in Alsace-Lorraine.

The manufacturing industries habitually settle around the coal mines and

the iron ore mines. Alsace-Lorraine, the Sarre district and Upper Silesia are not only very rich in coal and iron ore, but they contain in addition a very large part of the German manufacturing industries. Those of Alsace-Lorraine have been lost to Germany, and those situated in the Sarre Valley and in Upper Silesia may be lost to her vote of the inhabitants.

HEAVY BLOW TO COMMERCE

Germany's commerce also has received a heavy blow owing to the war. Her merchant marine, which formerly was the second largest in the world, has disappeared. Many of her establishments abroad have been liquidated, and the prejudice existing against Germany makes it difficult to recreate her international business. The trade on the German rivers, which had been reserved to the Germans, has been thrown open to all nations by the will of the victors. Many of the nations which Germany used to supply with manufactured goods have learned during the war to make these themselves or to import them from elsewhere. German international commerce has suffered severely through the war.

Germany used to have large investments abroad. Those situated in the allied countries have been liquidated, while the bulk of the German money placed in Russia, Austria-Hungary, Turkey, &c., has disappeared. The war has greatly impoverished the German people.

During the struggle the Germans were filled with a boundless optimism. The Government reported victory after victory up to October, 1918, when the crash came. A few days before the German revolution quotations at the Berlin Stock Exchange were at their highest. German politicians and publicists had foretold since August, 1914, that the war would bring boundless wealth to Germany. She was to acquire the most valuable natural resources of her neighbors, and her opponents were to pay the full cost of the war and vast indemnities in addition, exactly as the French had been made to pay a sum four times as large as Germany's entire war expenditure after the war of 1870-71. Over-

confidence maintained during nearly four and a half years had created a spirit of recklessness among all. The Government had made no provisions for paying for the war. The German Minister of Finance, Herr Helfferich, had stated in the Reichstag on Aug. 20, 1915:

As far as the necessary financial supplies are concerned, we shall once more rely upon a loan. We do not wish to add to the gigantic war burdens borne by the German people by increasing the taxes unless imperative necessity should compel us to do so. The future life of the German people must, as far as possible, be kept free from the burden which has arisen through the war. The leaden weight of a debt of thousands of millions should deservedly be borne by those who have brought about the war. Let our enemies, not the Germans, be crushed by that load for decades.

LAVISH EXPENDITURE

Throughout the war the German Government had acted with the utmost folly, squandering money right and left and engendering among the people the spirit of waste. When the revolution came the new rulers of Germany felt unable to introduce the much-needed economy. On the contrary, they hoped to make themselves popular by spending money with greater lavishness than it had ever been spent before. After the fall of the Imperial Government a democratic Constitution was discussed. It was completed on Aug. 1, 1919, and published on Aug. 11 of that year. The new Government and the makers of the new Constitution proceeded evidently upon the assumption that Germany's wealth had no limits. Hence they felt justified in embarking on the policy of nationalization of the railways and waterways. Articles 92 and 97 of that document state:

The Federal railways shall be administered as an independent economic concern, which must be prepared to defray its own expenses, inclusive of interest and a sinking fund for the railway debt, and must also accumulate a reserve. * * *

It is the duty of the Federal Government to assume ownership of waterways serving for general traffic, and to undertake their administration. After this transfer waterways serving for general traffic may be planned and completed only by the Federal Government or with its consent.

The new rulers of Germany thought it the easiest thing in the world to run the

entire inland transport of the country, and they even made arrangements for taking over all the principal industries, which were to be managed by the State. Besides, believing, or pretending to believe, that Germany's wealth was boundless, they made the most lavish provisions for all who might require or desire assistance. Articles 119, 121, 145, 146 and 163 proclaimed:

The preservation of the purity, health and social advancement of the family is the task of both the State and the community. Families with a large number of children have a right to equalizing subsidies. Motherhood has a claim upon the protection and care of the State.

By means of legislation opportunities shall be provided for the bodily, mental and social development of illegitimate children equal to those enjoyed by legitimate children.

School attendance is compulsory for all. Instruction and all accessories are free of charge in the elementary and continuation schools.

Public provision shall be made by the Federation, States and communities, for the admission of persons of small means to secondary and university courses; in particular, there shall be educational grants for the parents of children who are considered suitable for training in secondary schools and universities up to the termination of such training.

It must be possible for every German to gain his livelihood by economic labor. Where no suitable opportunity of work can be found for him provision shall be made for his support. Details shall be determined by special Federal laws.

DANGERS OF THE SITUATION

Immediately after the revolution a mad period of waste began. Military stores of great value disappeared. Officials robbed the State wherever possible and the Government distributed funds with lavish hands, subsidizing all and sundry, assisting the unemployed, cheapening food and running all the great nationalized services at a huge and ever-growing loss. As the men in authority were no longer able to raise loans, they proceeded to provide funds by printing paper money. How greatly the financial position of Germany has deteriorated during the war, and especially since the revolution, may be seen from the following figures relating to Germany's national debt, which were placed before the Brussels

Conference and which probably are correct:

FUNDED DEBT OF GERMANY

	Marks.
July 1, 1914.....	4,900,000,000
Dec. 31, 1918.....	92,200,000,000
March 31, 1920.....	91,000,000,000
Sept. 20, 1920.....	91,000,000,000

FLOATING DEBT OF GERMANY

	Marks.
June 30, 1914.....	400,000,000
Sept. 30, 1918.....	48,000,000,000
March 31, 1920.....	105,000,000,000
Sept. 20, 1920.....	194,700,000,000

It will be noticed that only one-third of Germany's debt is funded. The remaining two-thirds are unfunded. They require constant renewal at the interest of the day. Hence the floating indebtedness is particularly dangerous. It will also be noticed that the funded debt has remained stationary since the revolution, but that the floating debt has practically quadrupled since the time when the Imperial Government was overthrown. During the two years of peace Germany has increased her indebtedness far more rapidly than she has done during any two years of the great war.

PILING UP VAST DEFICITS

According to the statement of Dr. Wirth, the German Minister of Finance, Germany's expenditure during 1920 will come to at least 95,000,000,000 marks. As the national revenue will amount, according to him, to 40,000,000,000 marks at the utmost, there should be a deficit of at least 56,000,000,000 marks, and as the taxes yield very disappointing results the deficit may be considerably greater than anticipated.

As previously stated, Germany is trying to provide the money she needs by setting the printing machine going. The bank notes outstanding have increased as follows:

BANK NOTES OUTSTANDING

	Marks.
June 30, 1914.....	2,700,000,000
Oct. 31, 1918.....	26,700,000,000
April 23, 1920.....	60,300,000,000
Sept. 15, 1920.....	72,000,000,000

During the war Germany added 24,000,000,000 marks to her bank notes. Since the revolution she has trebled the quantity of her paper money and the

flood is still rising, according to the weekly records published by the German Government. We can, therefore, not wonder that the purchasing value of the mark has shrunk to less than one-tenth, and that wages and prices in Germany have increased tenfold and are still increasing.

DECREASE IN PRODUCTION

The great Government undertakings, which used to be very efficient and which brought in a substantial profit to the State, are being run at a gigantic and ever-increasing loss. The German State railways will produce a deficit of at least 16,000,000,000 marks, a sum as large as all the money spent in building them, and the German Post Office will cause a deficit of 2,000,000,000 marks during the current year, although freight and passenger tariffs and postage rates have repeatedly and greatly been increased. It is difficult to see how Germany can regularize her finances without resorting to national bankruptcy. The whole position is artificial. The Government is maintaining the appearances of prosperity by means of the printing press. In bankrupt Berlin, and Vienna, which is still poorer, the official bank rate stands at 5 per cent., while it stands at 7 per cent. in New York and London.

The industrial position of Germany is

very bad. Some industries prosper and some are ruined. In some the men are fully employed, and in others they work only a few hours a week or are not working at all. At any rate, taking Germany as a whole, production is far lower than it was previous to the war. It is generally estimated that output per man is only half as great as it was in 1913. Revolution has brought in its train indiscipline, the will to enjoy, and a disinclination to work, and the Government has strengthened these fatal tendencies by its foolish policy of subsidizing the people uncritically, and by trying to regulate trade and industry and to cheapen food.

Countless bureaucratic restrictions and a clumsy and involved and complicated system of taxation are hampering enterprise in every direction. By limiting the prices of essential food the Government has discouraged agriculture. The peasants and farmers have limited cultivation. The area under bread corn is 11 per cent. smaller than last year, and the Government has to import 2,000,000 tons of bread corn at a cost of about 10,000,000,000 marks, which will increase the national debt still further.

According to figures supplied by the German Ministry of Economics, Germany's foreign trade has progressed as follows:

	Imports. Ma ks.	Exports. Marks.	Excess of Imports or of Exports. Marks.
1919.			
January	397,000,000	161 000 000	*236,000 000
February	408,000 000	195,000,000	*213,000 000
March	440,000,000	292,000 000	*148,000 000
April	626,000,000	270 000 000	*356 000 000
May	1,468,000 000	251 000 000	*1,217,000,000
June	2,088,000,000	406 000 000	*2,282,000,000
July	3,538,000,000	570,000 000	*2,968 000 000
August	3,817,000,000	735 000 000	*3 082 000 000
September	4,191,000,000	790,000,000	*3,401 000,000
October	5,179,000 000	1,080 000,000	*4 090 000 000
November	4,446,000,000	1,284,000 000	*3,162 000 000
December	5,178,000,000	4,014,000,000	*1,164 000,000
Total	32,376,000,000	10,057,000,000	*22,319,000,000
1920.			
January	6,560,000,000	3,219,000,000	*3,341,000 000
February	5,932,000 000	4,262 000 000	*1 670 000 000
March	5,683,000,000	4,216,000,000	*1,467 000 000
April	4,768,000 000	5,344 000 000	†576 000 000
May	5,537,000,000	6,647,000,000	†1,110,000,000

*Decrease. †Increase.

At the end of the war Germany was totally denuded of imported raw materials, such as cotton, wool, rubber, oil, copper, leather, &c. She had to import tremendous quantities of these and of food before she could begin working for export. Thus her foreign trade was carried on with an enormous deficit. Apparently the position has improved. Exports have been increasing, and they seem to have exceeded imports in April and May, 1920. However, the official statistics are so unreliable—it would require a good deal of space to show glaring mistakes—that the figures given must be treated with great reserve.

Observation and careful inquiry in Germany tend to show that industrial production per worker has shrunk to one-half the pre-war output. In mining and agriculture also production is unsatisfactory. There is a great deal of poverty visible, and there is also a great deal of riotous living and waste. Part of the workers are on the verge of starvation, and another part is having a good time. War profiteers are spending lavishly, and so are many people who wish to have a good time through sheer hopelessness. The industries in general are not prospering. It is true that dividends have greatly increased in many cases. However, owing to the vastly reduced value of the mark, their apparent prosperity merely disguises their actual poverty.

Germany's finances are in the greatest

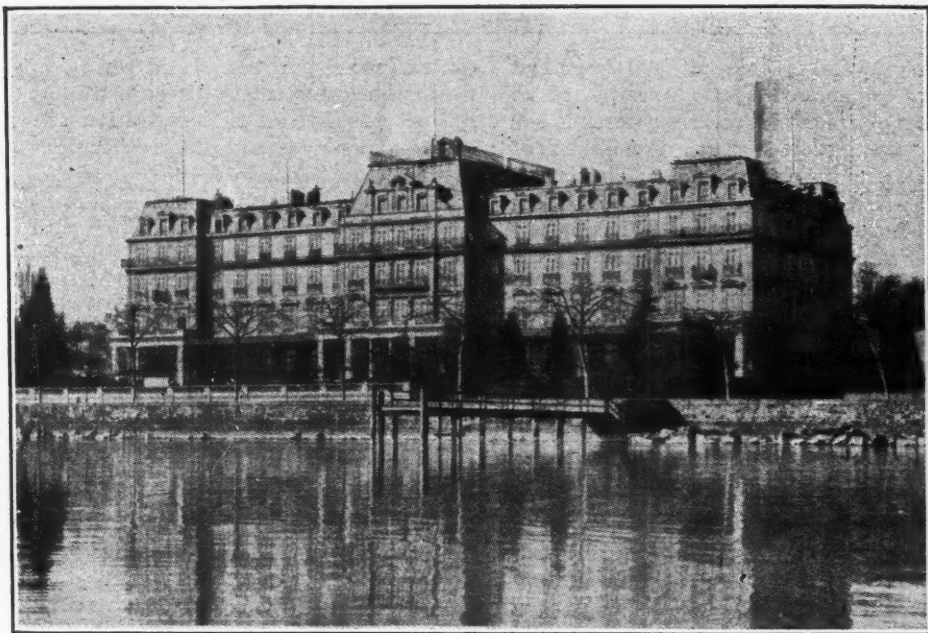
disorder. Obedience, order and discipline, which were among Germany's most valuable assets, have disappeared. Social order has not been re-established. Reactionaries and revolutionists alike threaten trouble. The financial collapse of the country, which seems inevitable, may have the most serious consequences upon the national industries.

While one must take note of the unfavorable aspects of the position, one must remember that Germany possesses great resources, with the help of which she may ultimately recover. All North Germany is a gigantic plain, which is opened up by deep and gently flowing rivers following a parallel course. Owing to the possession of these rivers, and owing to her central position in Europe, Germany occupies a most favorable place for carrying on a great trade. Her vast wealth of coal, of potash and of other minerals will powerfully aid her manufactures. Her people may succeed in re-establishing order and in regaining their old love of work. However, whether Germany will fall lower and lower or whether she will once more become rich and powerful depends chiefly on the preservation of outward and of inward peace. Whether Germany will be able to find herself again in peace depends, of course, on factors which are absolutely incalculable, for chance or fate determines the rise and decline of nations, and in political matters men are rather guided by passion than by common sense.

Railroad Pact by Central Europe

THE so-called "Little Entente" is an indication of the desire of the Central European nations to unite for self-protection and mutual aid. Another step in this direction was the calling of an International Railway Conference at Prague, which opened on Sept. 29 and continued for several days. Some sixty representatives of Czechoslovakia, Yugoslavia, Rumania, Poland, Austria and Hungary took part. The conference settled the whole question of transit through these States on the basis of the Convention of Berne, which is to have

the force of a tariff treaty. A special committee was appointed to meet on Nov. 16 to determine the details. At the same time negotiations were opened on the subject of direct transport between Hungary and Yugoslavia, and between Czechoslovakia, Hungary and Yugoslavia. All these unifying measures will facilitate the work of the League of Nations Commission in Paris, which is striving to eliminate those unfavorable conditions of travel between the various European countries which make personal intercourse at present difficult.



PERMANENT HEADQUARTERS OF THE LEAGUE OF NATIONS ON LAKE GENEVA

League of Nations Activities

Important Work of the Council in Sessions at Paris and Brussels— Full Roster of Members

ON the eve of the first meeting of the Assembly of the League of Nations, which was to convene at Geneva on Nov. 15, 1920, the League had just scored its first successes as a preventer of war. Its services as a mediator had been accepted by the Finns and Swedes in the Aland Islands dispute, and by the Poles and Lithuanians in the subsidiary war growing out of the Polish-Bolshevist hostilities. The seizure of the Lithuanian town of Vilna by the Polish General Zeligowski was a defiance of this settlement, but the League Council lost no time in demanding and receiving Poland's official disavowal of the insurgent leader's acts.

Apart from putting into operation a formidable body of machinery for the improvement of conditions affecting international labor, health and morality, the League had managed the whole vast labor of repatriating thousands of un-

fortunate war prisoners in Siberia, had set up the administration of the Sarre Basin and the Free City of Danzig, and had created a Mandates Commission to supervise the administration of the lands and peoples freed from German and Turkish rule, besides an Armaments Commission to draft a plan for universal disarmament. It had furthermore convened at Amsterdam a congress of the most eminent jurists of the world, which had drafted a plan for a world tribunal to arbitrate all questions between nations which might contain the germ of future wars. It had held the most remarkable financial congress in modern history at Brussels, whose decisions, it was declared by eminent financial authorities, would affect the whole future life of Europe.

Since its inception the League had held nearly a dozen official meetings, both of the Council and of various com-

missions, and its international scope had been emphasized by its selection of as many different countries as possible for the holding of its sessions. The Council of the League had met in London, Paris, Rome and San Sebastian; it had called the Labor Conference at Washington; the Seaman's Conference at Genoa; the Jurists' Advisory Committee at The Hague; the International Health Conference at London; the International Ports and Waterways Conference at Paris; the Armaments Commission at San Sebastian; the Financial Conference at Brussels, Belgium. The last two sessions of the Council of the League have been held at Paris and Brussels, respectively.

Preparations for establishing the seat of the League at Geneva were actively pushed. The Hotel National in Geneva was purchased at a cost of 5,500,000 Swiss francs, and 500,000 francs were appropriated to acquire land in the immediate vicinity. The building is beautifully situated on the shore of Lake Geneva; it is henceforth to be known as the Palais des Nations, and is to be extensively remodeled. The entire secretarial force of the League, hitherto domiciled at the Sutherland House in London, was transferred to Geneva at the end of October. The Swiss Government, pending the remodeling of the new headquarters, placed a hotel containing thirty rooms at the disposal of the League staff, and likewise set aside a large hall and special annexes for the use of the Assembly in November.

COUNCIL MEETING IN PARIS

The ninth meeting of the League Council was held in Paris on Sept. 16, under the Presidency of M. Léon Bourgeois. The Council approved the purchase of the Hotel National at Geneva. It also recognized the definite transfer of the districts of Eupen and Malmédy to the sovereignty of Belgium, after an investigation of the protests filed by the Germans against the plebiscites. The question of the Sarre Valley Commission was discussed. The Council ratified the appointment of Dr. A. Hector of Saarlouis as member of the Sarre Basin Commission, and accepted the resignation of the

German member, Herr Alfred von Bock, which the latter submitted as a protest against the French administration following the strikes and other difficulties in the Sarre Basin in July.

The most interesting and important action taken at this session affected the interest of four nations. Delegates had been sent by both the Polish and Lithuanian Governments to put their territorial dispute before the League. [See Lithuania.] A dramatic incident occurred after the Council had passed a resolution calling on the two warring Governments to cease hostilities immediately. Agreement seemed doubtful, when M. Paderewski, who headed the Polish delegation, rose and made a stirring speech, in which he declared that Poland desired to be at peace with Lithuania, and that he was certain that Lithuania also desired peace. The Lithuanian delegates, headed by Foreign Minister Woldemar, rose in a body, walked over to the Polish delegates, and warmly shook hands with them, amid the applause of the delegates and the spectators. M. Woldemar replied that he had full confidence in the fairness of the League, and would abide by its decision. It was decided by the Council at its conference in Brussels on Oct. 28 to refer the whole Polish-Lithuanian quarrel, including the occupation of Vilna by General Zeligowski, to a plebiscite.

Another dispute was placed on the road to settlement through the acceptance by M. Enckel, Finnish Minister in Paris, of the report of the Council on the Aland Island question, which declared the competency of the League to arbitrate the conflict, and called for an investigation by three commissioners. Reservations were made by M. Enckel, however, declaring that Finnish interests were so interwoven with sovereignty over the islands that Finland alone had the right to decide whether there should be a plebiscite. Sweden, on her part, in full knowledge that the great majority of the people were of Swedish stock, continued to urge the League to decide the matter by a plebiscite.

M. Bourgeois, speaking before the Council, asserted that submission of the Polish-Lithuanian and Aland Islands dis-

putes to the League was the best augury which had developed for the future of the League of Nations. Speaking again at a reception held at the Hotel de Ville on Sept. 19, he reviewed the work and objects of the League in an eloquent speech, saying in part:

It is not my task here to defend the League of Nations against the heedless mockeries aimed at it. We have never said that the rule of right and justice would be set up on the ruins wrought by violence and barbarity in a single night. We do not believe that human passions will give way to kindness and virtue. But we do say that brute strength can not and should not be able to dominate right, that power should be, not an instrument of perpetual destruction, but rather of unceasing creative activity, and that it can exercise this faculty only if it is the servant and the guardian of right. * * * Our work is not merely a noble dream, but a reality, a work of method and continuous organization. Patience and time are necessary.

A testimony to the value of the League's intervention was given by M. Hjalmar Branting, Prime Minister of Sweden, on Sept. 19. The League, he declared, through its intervention had earned its right to live as an effective means of settling international disputes. M. Branting said in part:

I will not use the word "war," but the situation between Sweden and Finland was tense. The Council of the League, through its cautious but prompt action, has dissipated the feeling, and Sweden believes the Council will settle the matter to the satisfaction of both countries.

[For a detailed account of the Aland Island dispute see Sweden.]

COUNCIL MEETING IN BRUSSELS

The next meeting of the Council was held at Brussels, beginning Oct. 22. A report on Armenia was presented by Mr. Balfour. The question of an Armenian mandate was referred to the Assembly of the League, in order that any State willing to accept the mandate, following refusal by the United States, might have an opportunity to declare its readiness to serve. Other reports were read at this opening session regarding Eupen and Malmédy, the repatriation of prisoners, the campaign against typhus, and the expense of the League's commissions.

Subjects discussed at subsequent sessions were:

The League's guarantee of the minorities clauses of the Austrian and Bulgarian Peace Treaties: Constitution of the Permanent Mandates Commissions; the Brussels Financial Conference; the Aland Islands; Lithuania and Poland; the Constitution of Danzig; the Permanent Court of International Justice.

The International Court was discussed at one of the most important sessions, held on Oct. 26. The Council approved the plan for this great international tribunal as adopted by The Hague Committee of Jurists, with the exception of the provision for obligatory jurisdiction and a few minor details. This exception, it should be said, represented a serious departure from the desire of the framers of the plan, who had sought to make the arbitrament of the future tribunal compulsory under certain expressed conditions, and was due in part to the protest of the Scandinavian members of the League. The Council decided that it could not recommend a plan transcending the scope of the League covenant, which provides that both parties to a dispute must give their consent in order to validate the League's jurisdiction. At the suggestion of Mr. Root, however, the question was referred by the Council to various international legal bodies. The verdicts of the tribunal, it was decided, would not bind nations that were not parties to a case, and hence would not constitute precedents. French and English were recommended as the official language of the court.

ACTION IN FINANCIAL CONFERENCE

Acting on the suggestion of the International Finance Conference, the Council decided to appoint a permanent commission in two sections, one financial and the other economic. Each section was to comprise ten members. The financial section was to be set up immediately, to continue the work initiated by the Financial Conference. The question of calling a second international conference was referred to this committee. The Council, for reasons not given out officially, did not act on the recommendation of the

Brussels Conference that a Committee on International Credit be appointed.

The organization of the Free City of Danzig was not completed. Mr. Hymans, the Belgian representative, stated that the work would be terminated by the new Council, after the Assembly had elected successors to the representatives of the powers of limited interests, Belgium, Sweden, Spain and Brazil. The report of the present Council was being prepared. It would contain, said M. Hymans, a recommendation for the creation of an organism indispensable to the League, namely, an international court, permanent military and naval commissions, and commissions on transit and hygiene. With regard to this last body, it had been decided at San Sebastian that a conference of the Transit Organization would be held at Barcelona at the end of January, 1921, to deal with all evils affecting international travel. A special sub-committee of the Provisional Committee on Communications met in Paris on Oct. 15 to prepare the ground for the reforms judged necessary in respect to the issuing of international tickets, simplification of customs regulations, issue of passports and visés and reduction of fees.

The Council ended its sessions at Brussels on Oct. 28. Mr. Balfour, in making the closing address, declared:

"Four great powers not now members of the League [the United States, Germany, Austria and Russia] will enter the League shortly. Without these great powers it is impossible to predict what the League may accomplish."

The International Labor Congress of the League met at Brussels on Oct. 7. The Congress decided to create an international office of statistics, prices and quantities, one bureau of which, devoted to coal, would be attached to the financial and economic section of the League of Nations. This decision was taken to meet a demand formulated by the recent International Congress of Miners. The Labor Congress also decided, by a unanimous vote, to offer to the United States the seat of one governmental delegate in the International Labor Commission.

Other activities reported included the

dispatch of memorandums to Great Britain, France, Italy and Japan, asking them for information on the measures they have taken, or contemplate taking, for carrying out the mandate clauses of the League covenant. The necessity of settling the question of mandates without delay was urged by M. Bourgeois, as spokesman for the Council. It was further announced that Great Britain had submitted to the League sixteen international treaties concluded by her since Jan. 10, 1920, when the covenant became effective. Engagements in India, South Africa, Canada, Esthonia and Soviet Russia were included. Article XVIII. of the covenant provides that "no treaty or international engagement shall be binding until so registered." The League's policy is to print these registered treaties as they are received. Germany, among others, though not a member, had agreed to submit all such pacts to the League. Herr Sthamer, the German Minister in London, however, in signifying Germany's assent, declared that she declined to be bound by the provision establishing the validity of the treaties only after registration, inasmuch as she had not yet been admitted to League membership.

According to the budget approved by the League for the year 1921, the sum of \$400,000 monthly will be required to cover the estimated expenditures for all branches, commissions and activities. An outlay aggregating \$3,750,000 was sanctioned, of which \$1,250,000 was to be spent by the International Labor Bureau. The organization period of the League up to July of the present year had cost \$1,250,000, and the expenses for the second half of the year were estimated at \$2,500,000. The budget provides \$300,000 for the Permanent International Court and \$200,000 yearly in payment for the hotel purchased at Geneva for the League's headquarters.

ROSTER OF MEMBER NATIONS

On Oct. 1, 1920, thirty-four nations were members of the League and thirteen others had applied for membership, as shown in a communication sent by the League Secretariat at London to the State Department at Washington. The

following are the original and invited members, with the dates of their accession to the League:

Name of Members.	Date of Accession.
*Great Britain.....	Jan. 10, '20
France	Jan. 10, '20
Italy	Jan. 10, '20
Japan	Jan. 10, '20
Belgium	Jan. 10, '20
Bolivia	Jan. 10, '20
Brazil	Jan. 10, '20
†China	July 16, '20
Cuba	Mar. 8, '20
Greece	Mar. 30, '20
Guatemala	Jan. 10, '20
Haiti	June 30, '20
Liberia	June 30, '20
Peru	Jan. 10, '20
Poland	Jan. 10, '20
Portugal	Apr. 8, '20
Jugoslavia	Feb. 10, '20
Rumania	Sep. 14, '20
Siam	Jan. 10, '20
Czechoslovakia	Jan. 10, '20
Uruguay	Jan. 10, '20

INVITED MEMBERS

Argentina	July 18, '20
Chile	Nov. 4, '19
Colombia	Feb. 16, '20
Denmark	Mar. 8, '20
Netherlands	Mar. 9, '20
Norway	Mar. 5, '20
Paraguay	Dec. 26, '19
Persia	Nov. 21, '19
Salvador	Mar. 10, '20
Spain	Jan. 20, '20
Sweden	Mar. 9, '20
Switzerland	Mar. 8, '20
Venezuela	Mar. 3, '20

*Including colonies. †By ratification of Austrian Treaty.

Aside from Germany, Austria, Hungary and Turkey, who are debarred provisionally under the peace treaties, the nations who have not joined the League or made application for admittance are the United States, Russia and Mexico. The two latter, because of their disturbed internal conditions, have not been invited to become members.

The thirteen countries that have

applied for admission, with the dates of application, are these:

Nation.	Application.
Members.	Accession.
Estonia	Apr. 10, '20
Finland	May 8, '20
Georgia	May 21, '19
Iceland	July 2, '19
Latvia	May 14, '20
Luxemburg	Feb. 23, '20
Monaco	May 3, '20
S. Marino	Apr. 23, '19
Ukraine	Feb. 25, '20
Costa Rica	Sep. 14, '20
Armenia	May 13, '20
Lichtenstein	July 15, '20
Bulgaria (unofficial)	Sep. 2, '20

The League of Nations office in London on Oct. 11 received a copy of a circular which Count Sforza, the Italian Foreign Minister, has sent to Italian diplomatic agents abroad, instructing them to collect and forward all the information they can concerning the way in which the League is regarded. This circular read in part as follows:

The diffusion of exact knowledge of what the League of Nations is will be valuable for restraining diffident and skeptical censors as well as superficial and irresponsible eulogists. It is necessary to instill the firm conviction that the institution represents a higher degree of evolution of law based on a higher unity than that of the State.

Not only does the covenant regulate the prevention of armed conflicts and seek to limit military effort to an ever more restricted sphere, but it contains further security for a lasting settlement between States and for the rapid and harmonious progress of their common interests.

When the Assembly of the League of Nations held its first session at Geneva on Nov. 15 and chose M. Hymans as its President, representatives of forty-one nations for the first time in history sat together in common council. But that is a story which must be reserved for the next issue of CURRENT HISTORY.



THE NATIONAL ELECTION

Harding and Coolidge Elected by an Overwhelming Majority— Republican Senate and House

THE election for President and Vice President of the United States, Nov. 2, resulted in an overwhelming victory for the Republican candidates. Harding and Coolidge swept the country. The result had been discounted to some extent in the popular mind by many indications before the election, but even the most sanguine prophets of Republican success were amazed at the size of the majorities. Of 531 electoral votes, the Republican candidates secured 404 and the Democratic nominees 127. The total popular vote was about 26,000,000 and the popular majority of Harding and Coolidge was approximately 6,000,000.

The Republicans also carried both Houses of Congress. The unofficial list of members of the next House of Representatives, as prepared under the direction of William Tyler Page, Clerk of the House, showed that the Republicans would have a majority of 179, the largest ever known. The Republicans have 307 members, the Democrats 127 and the Socialists 1. The previous party plurality in the House was in the Sixty-third Congress, elected in 1912, when the Progressive Party was in the field and the Democrats had a plurality of 163.

One hundred and nineteen members of the present House were not returned. Some were defeated in the primaries or were not candidates for re-election; a few ran for the Senate, but most of them were defeated. Victor Berger, Socialist, who had been expelled for disloyalty from a previous Congress, was defeated in his race for re-election in Wisconsin. Meyer London, Socialist of New York, was the only member of his party elected to the next House. Notable incidents of the election were the defeat of the veteran Democratic members, Champ Clark of Missouri, who had served in thirteen Congresses and had been Speaker of the House, and John A.

Moon of Tennessee, who had served for twelve terms. The only woman elected to the House was Miss Alice M. Robertson, who was successful in the Second Oklahoma District, defeating the Democratic incumbent, Hastings.

In the Senate contests the Republicans were equally successful. Much anxiety had been felt on this point by Republican leaders, and their claims seldom went beyond 6 or 8 majority in the new Senate. Their actual majority, however, was 22. They have 59 members to the Democrats' 37. Of the 34 Senate contests, the Republicans captured 10 seats from the Democrats and retained all 15 seats held by the Republicans. Among those defeated were George E. Chamberlain of Oregon, former Chairman of the Military Affairs Committee; Marcus A. Smith of Arizona, a pronounced supporter of the President, and C. B. Henderson of Nevada. Richard P. Ernst, Republican, of Kentucky, defeated his Democratic opponent, Beckham, by a close vote.

An unlooked-for feature of the election was the inroad made by the Republican vote in the "Solid South." Tennessee was placed in the Republican column by a majority exceeding 12,000. The border States of West Virginia, Missouri and Maryland went Republican, and Kentucky was barely retained by the Democrats. Gains were registered also by the Republicans in many normally Democratic districts of Louisiana. They carried several towns in Florida, including St. Petersburg, Orlando and Daytona. For the first time in history several towns and precincts in the 6th Mississippi District gave Republican majorities. Some counties in Alabama also went for the Republican ticket. Cox's plurality in Arkansas was the smallest by which a Democrat ever carried the State. Oklahoma, which while not strictly in the "Solid South" was closely affili-

ated with it in sentiment, was also placed in the Republican column. The Republicans carried a Congressional district and a number of counties in Texas.

The Gubernatorial contests followed closely the Presidential result. All the States that went for Harding and Coolidge, in which such elections were held, chose Republican Governors, except North Dakota, where the Non-partisan League candidate Frazier won over the fusion nominee O'Connor. A Republican Governor was elected in Tennessee by over 30,000.

The result of the election placed in the hands of the Republicans the entire responsibility for the management of national affairs for the two years beginning March 4, 1921. Never has a mandate been more decisive. The executive and legislative branches will be wholly in Republican control. The Republicans will have a large margin in the Senate, and in the House their majority is so great as almost to be unwieldy.

President-elect Harding declared immediately after the election that the result was not a personal victory but "a national call to the Republican Party." To Vice President-elect Coolidge, the verdict meant "the end of a period which has seemed to substitute words for things and the beginning of a period of real patriotism and true national honor." Governor Cox's Dayton News in its first editorial comment on the election declared: "The election is over and the citizens of the United States are glad that it is. The spirit of America is that the voice of the majority must rule in the nation's affairs. From this traditional standpoint there must be no departure now."

Mr. Hoover and Mr. Taft expressed the view that the victory of Mr. Harding assured and hastened the entrance of the United States into the League of Nations. Senators Johnson and Borah interpreted the result as meaning "the triumph of nationalism and the defeat of the League of Nations."

The first formal utterance by the President-elect was made at Marion, Ohio, on Nov. 4. In this address he said, referring to foreign matters:

These are serious times. The civilization of the world was turned into a fluid state. Permanent crystallization has not yet come. It is for America to give to the world a steadying and stabilizing influence. I am going into office knowing that the heart of America is right. In the spirit of compromise, in the desire for understanding and in the mutuality of interest America will go on and give of her service to the good of humanity and the safety of the world. I want a part in that. * * * It's not that you or I question the desire of America to play its part; it's not that we question the high ideals of those who were responsible for the Versailles Covenant. You just didn't want a surrender of the United States of America; you wanted America to go on under American ideals. That's why you didn't care for the League which is now deceased.

America is playing a great part now. America is healing the heart of the Old World tonight as no other nation, but there is more to do. There is a new world relationship, and when the next Administration comes into power we're going to play our part. We're going to ask for nations associated together in justice, but it shall be an association which surrenders nothing of American freedom.

While in Texas he delivered an address on Armistice Day. In this speech, referring to America's entrance into the World War, he said:

We didn't fight to make the world safe for democracy, though we were its best exemplars, and we believe our representative democracy the best form of government in all the world. Nor did we fight for humanity's sake, no matter how much such a cause impelled. Democracy was threatened and humanity was dying long before American indignation called for the Republic's defense. But we fought for the one supreme cause which inspires men to offer all for country and the flag, and we fought as becomes a free America and dropped the sword and stifled greed when the victory for defense was won. We proved anew that here is free and ample America, which does not ask but freely gives.

William J. Bryan, who had taken no part in the campaign, asserted after the election that "President Wilson laid the foundation for the disaster and Governor Cox completed the structure." He further said in part:

The President attempted to drive out of public life every Democrat who dared to differ from him even in minute details, while he made no effort to strengthen the Democrats who made him the keeper

of their conscience. He alienated all Republican support and invited partisan opposition by his appeal, just before the election of 1918, for a Congress that would support his personal leadership, and then, though knowing full well that the majority of the nation was against him, he refused to deal with the Senate as a co-ordinate branch of the Government. By thus preventing ratification the President assumed responsibility for the nation's failure to enter the League and thrust the League into the campaign as a partisan issue. The people, confronted with the choice between Presidential infallibility and respect for the opinion of the

majority of the Senate, naturally chose the latter, and the Democratic Party, by indorsing the President's position, invited the defeat that has overtaken it.

Shortly after the election President-elect Harding started on a trip to Texas and Panama for a few weeks of rest and recreation. A courteous offer by Secretary Daniels, on behalf of President Wilson, of the use of the Government yacht *Mayflower* and a battleship for his trip was declined with equal courtesy.

Other American Events of the Month

The new tactical peace-time organization of the regular army, based on the Army Reorganization bill passed at the last session of Congress, was announced on Nov. 8 by Secretary Baker. It provided for one skeleton army in time of peace, with a paper strength of 337,221 men. An army corps under the new organization would consist of 79,996 men, an infantry division of 19,385 men, a cavalry division of 6,417 men, an artillery brigade of 3,414 men, and an infantry brigade of 6,153 men. The act providing for the new organization divided the country into nine corps areas, and in time of war or general mobilization this division would result in three armies, each of the tactical strength and organization before announced. As the peace-time strength of the regular army is only 280,000 men, the National Guard and organized reserve would fill the gaps.

It was stated at the office of Adjt. Gen. Harris, Nov. 1, that the 17,625 enlistments accepted during October for the regular army broke all peace-time records for the month. Sixty-six per cent. of the enlistments were for the full three-year period, while in previous months about half the men sought only one year of service. The educational advantages offered by the army on its new basis were given by nearly all the recruits as reason for enlisting. The total strength of the army Nov. 1 was 208,781 officers and men, of whom 158,466 were in the United States.

During October the enlisted strength

of the National Guard increased by 4,649, making the strength on Nov. 1 67,552, as compared with an authorized strength of 182,830. New York State had the largest National Guard organization, 8,843 men, and Texas was next with about 8,000 men. Pennsylvania was third with 6,800 and Wisconsin next with 5,270.

Joining in the national observance of the second anniversary of the signing of the armistice, the heads of the nation's military and naval forces issued messages to the personnel of the army and navy and to the veterans of the World War now in civil life.

"Today the army salutes its own—its fallen heroes," Secretary Baker said. "It is for us to emblazon their glory in imperishable memorials, to engrave their devotion in our hearts, and to dedicate ourselves to a perpetuation of the principles for which they fell."

Declaring that events of the two years since the signing of the armistice had "caused many of us to lose the holy joy of that day," Secretary Daniels admonished the navy to dedicate itself to "the same ideals which gave immortal glory to our American youths of 1917-18."

There was a widespread observance of the day throughout the country. General Pershing reviewed the famous 1st Division at Camp Dix, N. J. Elsewhere there were parades of the American Legion, addresses by eminent State and national officials and the unveiling of tablets and monuments to those who perished in the war.

NAVAL AWARDS

The total number of awards finally decided upon by Secretary Daniels, with the approval of President Wilson, was 2,446, of which 2,061 went to officers and men of the naval service and 385 to members of the Marine Corps. All of these medals, crosses or letters of commendation were presented on Nov. 11 to those upon whom they had been conferred, with three notable exceptions. These were Rear Admiral Sims, Captain Benton C. Decker and Captain Raymond D. Hasbrouck, all of whom had criticised the original tentative list of awards and all of whom wrote to the department declining to accept the awards that were to be made to them. The awards made to these three officers were retained in the office of the Chief of the Bureau of Navigation in Washington by direction of Secretary Daniels. The Secretary's attitude was understood to be that if these officers wished to accept these awards they must either write or come to the Navy Department for them, and that they would not be sent to the recipients unless the latter should signify their willingness to accept them.

REDUCTION OF PUBLIC DEBT

Figures made public at the Treasury Department Nov. 2 showed the gross public debt on that date to be \$24,062,509,672. This represented a reduction of \$24,846,455 during October. Ordinary expenditures of the Government during the month totaled \$426,497,372, against total ordinary receipts of \$220,034,804. The difference of \$206,462,567 was more than overcome, however, by other transactions of the department affecting the public debt.

RAILROAD LOSSES

Private operation of the railroads for the first six months after their removal from Federal control cost the Federal Government \$656,000,000, according to figures made public Nov. 3 by the Interstate Commerce Commission. The railroads suffered a deficit of \$206,000,000 during the six months' period, and besides this sum the Treasury was required to pay them \$450,000,000, the amount of

the guarantee provided in the Transportation act. Part of the deficit was charged to the increased pay granted to the railroad workers by the Railway Labor Board.

PROFITEERING IN COAL

The abnormally high price of both bituminous and anthracite coal continued to evoke protests throughout the country. Appeals were made for governmental action, and on Oct. 26 Attorney General Palmer sent a telegram to a convention of soft-coal operators in session at Cleveland, representing three-fourths of the total production of the country, urging the elimination of unreasonably high prices and unwise practices, where they existed. The convention in reply adopted a resolution by a unanimous vote to comply with the Attorney General's request.

A threat was made by Senator Calder, Chairman of the United States Senate Committee on Reconstruction, that a resolution for the nationalization of the anthracite coal industry would be introduced in Congress on Dec. 6, unless the price of coal to the public should be radically reduced before that date. An official reply to this threat was made on Nov. 7 by Everett Drennen, Chairman of the Fair Practices Committee of Northern West Virginia, who asserted that the abuses in the industry were being wiped out everywhere by voluntary action and that price-fixing and Federal control were unnecessary. Investigation had revealed that the chief cause of the high prices was the number of hands through which the coal went before it reached the consumer, in some instances as many as eleven separate profits being added to the original price. Elimination of these illegitimate brokers was declared to be the solution of the problem. Senator Calder's committee left New York on Nov. 7 to hold hearings in Cleveland, Chicago and other Western cities on the coal situation. Meanwhile there followed a substantial decline in prices, reaching as much as \$4.50 per ton below the peak.

President Wilson issued a proclamation Nov. 4 revoking the Federal licenses

necessary for the importation, manufacture, storage and distribution of sugar. The regulations covering sugar licenses were to end Nov. 15. The sugar licenses were authorized under war laws which were passed Aug. 10, 1917. The President in his proclamation said that a changed situation had been brought about by the armistice and also that the act continuing the existence of the Sugar Equalization Board would expire on Dec. 31, 1920. The price of sugar steadily declined throughout October and November, raw sugar selling as low as 6 cents.

RECORD FOOD CROPS

Preliminary estimates announced Nov. 8 by the Department of Agriculture showed that the corn, tobacco, rice, sweet potato and pear crops of 1920 would exceed in size those of any previous year in the nation's history. Other crops closely approaching records were those of oats, barley, rye, potatoes, apples and hay. Corn, king of all crops, and of which the United States grows more than 75 per cent. of the world's production, reached the enormous total of 3,199,126,000 bushels. The tobacco crop was 1,476,444,000 pounds, 87,000,000 pounds more than last year's crop, when all previous records were broken. The rice production was 52,298,000 bushels, of which almost half was grown in Louisiana. The sweet potato harvest shows 105,676,000 bushels. The crop of pears is placed at 15,558,000 bushels. Sensational price declines in wheat, cotton and corn occurred in October and November. Wheat, which sold at \$3.25 on Jan. 7, 1920, fell to \$2.01½ per bushel on Nov. 12. December corn was quoted at 76¼ Nov. 12, against \$1.30% a year previous. December cotton closed at 18.42 on Nov. 12, against a high of 43 cents in June of this year. On Nov. 12 pork compared to a year ago was down 40 per cent.; flour down 30 per cent.

PRICE REDUCTIONS AND UNEMPLOYMENT

Deflation continued during October and the early part of November. The industries that were hardest hit by the

persistent refusal of the public to buy heavily were the automobile and the textile trades, though most others suffered in sympathy. In New England many woolen mills closed down, while others operated on part time. The cotton mill at Uncasville, Conn., which had been closed for two weeks, reopened with a 20 per cent. reduction in wages. Wage cuts were reported from many other places. These, however, were not general, and an inclination was observable to maintain the existing wage scale, but to demand a greater amount of production. A significant sign of the times was the voluntary withdrawal in some cases of demands that had been made for an increased wage scale. Statistics showed that in the month of September the decrease of the number of employees was 4.5 per cent. in the automobile industry, 4.3 per cent. in car building and repairing, 1.1 per cent. in paper making, 6.8 per cent. in making men's clothing, 6.9 per cent. in silk manufacture, 6.4 per cent. in cotton finishing, 9 per cent. in cotton manufacturing, 7 per cent. in hosiery and underwear, 7.6 per cent. in leather making, and 14.4 per cent. in boot and shoe manufacture. Although complete figures for October were not at hand, there was every indication that unemployment was increasing at an accelerated rate. An extraordinary feature was that in fourteen leading industries there was a payroll increase, although there was a decrease in the number of employees. This indicated that the drones were being weeded out and that employers were willing to pay for more efficient service. The railroads dropped large numbers of workmen in October and November.

GRAFT INVESTIGATIONS

An investigation of United States Shipping Board affairs by a Congressional select committee, of which Representative Walsh was Chairman, in the Federal Building, New York City, beginning Nov. 8, revealed many astounding cases of embezzlement, petty graft and attempted swindling, and sustained the charges that had been made to the committee in a report of J. F. Richardson and A. M. Fisher, former employees

of the board. It was brought out by the testimony of Commander A. B. Clement, executive assistant to Admiral Benson, that the allocation of vessels in some instances had not been to the best interest of the Government; that the board could not at any time strike a balance showing profit or loss from the operation of its ships; that the accounts of the Emergency Fleet Corporation were badly involved; that there had been graft in the

purchase of ship supplies; that employees who had sold material for the Shipping Board were later employed by the purchasers; that there had been enormous waste, and that the wooden ship program had resulted in colossal losses to the Government. The investigation was still in progress when these pages went to press, and each day revealed almost unbelievable corruption, waste and laxity in business methods.

The Military Strength of France

A Frank Analysis of Present French Policy and Whither It Is Leading

By SISLEY HUDDLESTON

UNTIL the Presidential election was over it was impossible for America truly to consider her relations with Europe and with France in particular. Obviously the whole question was obscured by political passion, and in contests of this character both sides are often forced to go further than they seriously intend.

Shall America detach herself from Europe? Shall she seek to isolate herself in the great Western Continent—a gigantic Crusoe on a Gargantuan island! This is not, of course, possible, whatever may be thought of the Versailles Treaty and of the Covenant of the League of Nations, which would seem to pledge those who sign and ratify them to guarantee a settlement that is extremely precarious and in many respects dishonest. Nobody writing from Europe could with an easy conscience advise America definitely to engage her army and navy to uphold all the frontiers fixed, or to take part in the entangled jealousies, rivalries, quarrels, which have made of the post-war Europe a complicated and unstable mass of antagonistic nations struggling for supremacy. We find the fight transferred to another sphere—the diplomatic and commercial domain—and there is not a single Government which does not strive to get its head above the rest.

The policy of France, for example, has been largely dominated by the desire to shake off British control, and this demand for independence caused her to break the entente cordiale which had served her so well, and which is indispensable to European peace. France felt, rightly or wrongly, that she had become a second and subordinate person in the alliance, and that Mr. Lloyd George was the "boss." There was some justification for the belief, because after the armistice each nation pursued its own ends instead of pursuing common ends. England tried to get the most out of the treaty; and so did France. America had nothing to get, and Mr. Wilson, had he been more judicious, might have played a supreme rôle as arbitrator. M. Clemenceau, however, while doing his best for France, would certainly not have done anything to bring about a rupture with England. He was ready to make any sacrifice to keep British friendship. Not so his successor. M. Millerand came into power at a time when discontent with the treaty had reached its height. He heard the old statesman denounced everywhere as "England's man." The disillusion which France experienced after her enthusiasm and her exaggerated hopes made her turn upon her own hero when it was seen that the

promised indemnities could not be realized.

FRANCE HOSTILE TO LEAGUE

America was blamed to some extent for having opposed French militarism, for having prevented the breaking up of Germany, for having laid its cuckoo egg of the League of Nations in the European nest. Needless to say, this criticism is, whatever one may think of the League, not accurate. In assuming that, without the League, with a free head given to French militarism, France would by now have been paid enormous sums of money by a broken and bankrupt Germany, the critics assume much too much. The truth is that France went out from the earliest moment to kill the League hostile to her aims. Hence the attacks on America which filled the French newspapers last year. They succeeded too well, if not in changing the sentiments of the American people—there must exist a warm regard for the France which fought and suffered in the cause of civilization—at least in bringing the opposition to the President to a head and in destroying effectively the League of Nations.

Might-have-beens are not very useful; but if there is one might-have-been which is almost a certainty it is that without these French repudiations of the work of Mr. Wilson, which gave an impetus to the anti-Wilson movement in America, the Versailles document would have been, however reluctantly, ratified. France was alarmed at this unexpected effect. In showing America that she, too, was against the covenant she had imperiled the peace; she had lost American aid. She is now eagerly asking that America shall, with the necessary reservations to safeguard the American national sovereignty, accept the document. It may be a bad one, but—it's the only one we have.

DEPLORABLE CONSEQUENCES

The consequences of American aloofness are terrible. Germany is encouraged to proclaim that the treaty must be revised, and America has gradually come to look upon Europe as a continent to be distrusted. My own pur-

pose is to try to put the situation as it is, not with any polemical design. I do not think that American disinterestedness is a possible policy, simply because half the United States exports—in spite of the huge commercial markets in the South—are to Europe, and because there are over twelve billion dollars—or more money than has been asked from Germany in a space of thirty to fifty years—invested in Europe. When Europe is the principal outlet for goods—already showing signs of overproduction—and so much money is locked up there, it is inevitable that America, though anxious to keep out of trouble, should nevertheless throw her moral weight on the side of the only organization yet proposed to insure—or help to insure—at least a relative kind of peace.

It thus becomes all the more necessary, when party heat is dying down, to study the prospects of a Europe of which France must remain the lynchpin, the pivot. Upon her policy everything depends. Is she or is she not militarist, as is alleged? Has she territorial designs? These are two questions that cannot be answered by a plain yes or no. The Quai d'Orsay has certainly not always been wise, has undoubtedly piled up the expenses of the army, clearly seeks expansion in Syria against the newly formulated principles of national rights, and has antagonized most of the neighbors of France. Nor have the financial necessities been properly faced. But in frankly looking at the policy of France we have to make allowances for her situation and to consider in a friendly spirit why she has done so much to deserve the epithet of reactionary.

VIEWS OF FRANCE'S CRITICS

The accusations against her by the "intellectuals" in European politics are: (1) That she, acting out of pure hatred, refuses to come to an agreement with Germany regarding reparations, and thus hangs up the financial settlement of Europe. This attitude made the Brussels Conference of economic experts a mere academic farce. (2) That she allies herself, largely for doctrinal reasons, with all the worst nations in Europe,

notably Hungary, which is monarchist and military and terrorist, worse than the Czarist Russia. (3) That she favors impossible expansions, such as those of Poland, in order to strengthen her influence in Eastern Europe, heedless of the crash of new wars that must become imminent. (4) That she perpetuates strife by egging on all kinds of anti-Bolshevist forces, helping to keep Bolshevism, which thrives on foreign intervention, alive. (5) That she has flouted the notion of the League, which has therefore become incompetent to impose its authority on any country or any individual—Poland, Zeligowski, Italy, d'Annunzio!—a laughing stock and a derision. (6) That she has, at a moment when Germany is disarmed, with only 100,000 men, kept up a huge army of over 800,000 men. (7) That she does not tax her own people sufficiently.

There are other charges now made, not exceptionally by cranks, but perpetually by earnest students of foreign affairs. How far are they justified? And are there extenuating circumstances?

WHAT FRANCE FEARED

It should never be forgotten that four dangers menaced France—or France thought they menaced her—when M. Millerand took charge. The first was a revival of German militarism, which would sweep upon her as an avalanche when she would be less fortunate in friends. The second was that she would be overrun by Bolshevism, which was propagating itself in the country. The third was national ruin unless Germany were compelled to pay. And the fourth was the domination of England on the Continent, dragging France at her heels under cover of the Entente.

These are the reasons, material and moral, which seized upon the imagination of the French people. They had seen themselves invaded. They had seen their richest regions destroyed. They saw the Red peril advancing to complete their discomfiture. They felt that in respect of England they were almost in the position of a defeated country, compelled to do the bidding of the conqueror.

M. Millerand behaved vigorously. He probably reacted against England more

than he wished. Anyhow, he asserted French independence—would not be dictated to—determined that France should keep her army to look after herself—should not, at England's command, consent to any reduction of the German debt—should not, in the interests of British business, have any truck with Bolshevism—should take Poland's side against England—should fight for her own hand in Middle Europe, where she could get good concessions from Hungary in return for certain promises.

I find it rather an angry policy, and anger does not conduce to wisdom; but I perfectly understand the psychology of the French play. Some of the consequences are regrettable, but the provocation was felt to be great. In French eyes England stood for leniency toward Germany (at France's expense) and weakness toward Bolshevism. The relations between France and three European countries—England, Germany and Russia—have shaped her whole policy; and the order in which I place these countries is the order of their importance in this connection.

REPUBLIC'S ARMED FORCES

Militarist is a word that needs defining. I take it that it is used to designate those who rely upon armed force in foreign relations. France certainly does so; but which country does not? Which country is leading the way in disarmament? Not England, not America, with their great navy bills. No nations on the Continent are disarming except those who are compelled to disarm—and Germany did so reluctantly and under pressure, while Hungary has contrived not to obey the Trianon Treaty. Everywhere, even in Bolshevik Russia, there was an outbreak of militarism. From Poland to Greece the outlay for armies has not been brought down to the old level. One of the most amazing phenomena in the world after the war, after so much talk of disarming, is this race to pile up armaments.

But France, feeling particularly in peril, offers a particular example. She has heavy military obligations. She has—according to the figures of General Duval, published in the *Matin*—110,000

men on the Rhine, 188,000 in Algeria, Tunisia and Morocco, 92,000 in the Near East, 59,000 in the Colonies, 378,000 in France—a total of 827,000 in 1920. It was for this reason that M. André Lefèvre as War Minister felt obliged even in the teeth of opposition to demand two years' compulsory service from every young Frenchman.

Just before the war the Three Years law, whose denunciation led to Jean Jaurès's assassination, was passed. It was believed that now it would be no longer necessary to make all Frenchmen lose three or even two of the most valuable years of their lives in barracks. Think of what this reliance on militarism means! It means not only a great handicap to the individual, who is compelled to interrupt his studies, or postpone the beginning of his career, or break off his practice of a trade in which he is just becoming proficient, and be worsened in many ways, mentally and morally; but it also means a frightful handicap to the nation compelled to support the best part of a million non-productive, able-bodied citizens. In the economic struggle with Germany many observers have pointed out that France must be beaten just because she has to keep so many idlers, while Germany can use all her men in industry.

Not only do they not produce anything, but they demand much money for their maintenance. In 1920 it was over 5,000,000,000 francs—four times more than before 1914. In the coming year the cost will not be far short of 7,000,000,000 francs—almost as much as—according to M. François Marsal in introducing the 1920 budget—was raised last year by the new taxes. M. Charles Dumont, a reporter of this budget, explained in the Chamber that the cost was owing to the tripling of prices, and also to the fact that half the army is on war footing or practically so, in the Levant, in Germany, and in Morocco. In these countries the soldier costs twice as much as in the interior.

FRENCH POLICY AN ERROR

It is obvious that only a grave sense of danger could justify the maintenance of anything like such an army. Rightly or

wrongly, France has such a sense. It would be easy to argue that she is mistaken; that Germany is down and out; that in any case it will not be the number of soldiers in the field that will matter much next time. General Duval is one of those clear-sighted officers who recognize that the conditions of war will change—that tanks, airplanes, poison gases, violet-rays, deadly machinery and chemical horrors which will obliterate cities will be developed and will perhaps make an end of mankind. He does not quite see all this, but he does see that equipment will count for more than ever; and he utters the paradox that the size of the French Army inevitably spells its inefficiency. Why? Not only the taxpayer, not only the nation, suffers from this unwieldy instrument, but the army itself as a fighting organization suffers.

It is not hard to understand the reason. Men cost money. You cannot reduce the expenditure on clothing, lodging, feeding, warming, lighting these regiments. No economy is possible in that direction. But as the purse of the nation is not bottomless, there must be economy somewhere. It is precisely in respect of material, of airplanes, of laboratories that expenditure is curtailed. If a proportionate sum were spent on these things France might with her 827,000 men conquer Europe. But they count for nothing because they must necessarily be ill-equipped, unless France wants to plunge headlong into bankruptcy. Surely France is on the wrong lines! A policy of hatred or of fear is expensive and the results are poor. No wonder Parliament and even the Cabinet revolted.

THE EFFECT ON ENGLAND

The present President of the Republic brought into German relations an idea which M. Clemenceau had abandoned—namely, the idea of military sanctions. Against the will of England—and arguably against the treaty and the note which was sent to Germany at the time of its signature—he caused Frankfurt to be occupied. He believed in always menacing Germany. He really did get coal from Germany by the menace of further occupation. He is especially

fond of this theory of coercion. There is much to be said for it; but unfortunately it also has evil consequences. If there were only Germany and France in the world it would be excellent, perhaps; but there is England—and the British Government does not consider that it is good for the world in general or for England in particular to keep up a hostility that tends to cripple Germany.

England wants to do business. England does not fancy herself posing in a tableau with her foot planted prettily on the prostrate foe. She would prefer Germany to take her part in the industrial life of the Continent. She has nothing to get from Germany—whereas France cries out for the reparations which are due. There is thus a tug of war. France dreads the revival of Germany before she herself is restored, while England is quite content with the start she has gotten on Germany. But when I read in the *Action Française* the passage which I quote I do not accept it as representative of French feeling. It goes too far, M. Léon Daudet writes:

If we do not occupy the Ruhr Valley, Germany will not give us a sou. If that happens we are ruined and there will be social convulsions; and before five years the possibility of war, in worse conditions than in 1914, will present itself.

The thesis of M. Poincaré, the ex-President, does not insist upon fresh occupation, but it does insist upon holding Germany to the letter of the treaty and holding her down by every possible means until she has paid the last centime of integral reparations. The dispute which became acute between England and France on this question—England desirous of compromising (compromise is in her bones and blood), France, or at least a large section of France, preferring nebulous nothings rather than solid somethings obtained by consent—was really a dispute about whether the iron hand, the military method, is worth while.

FRANCE AND THE RHINE

France always favored the iron hand. Turn to the annex of M. Léon Bourgeois's book on the Peace Treaty and

you will find (Pages 271 to 321) documents concerning France's demands on the left bank of the Rhine that received surprisingly little publicity. Marshal Foch, who after the victory became the most powerful figure in all French and indeed allied councils, and whose opinion counted for much at the Quai d'Orsay, asked for the detachment of the left bank from Germany. The French Government supported him, and there was a big battle at the Peace Conference, where Mr. Lloyd George and Mr. Wilson refused to give way. They were even against a prolonged occupation, while Marshal Foch demanded an indefinite period of occupation at the discretion of France and her allies.

It is an interesting story which should be told in full. On Feb. 25, 1919, France handed in a long memorandum, in which pains were taken to deny any design of annexing the Rhinelands, but only of disannexing them from Germany. As this buffer State was to be occupied, however, there is no doubt that a virtual annexation would have been effected. The motives of France are set out at length; the argument against German aggressiveness is strong; the case is admirably presented. An appeal is made to history and to German writings. Limitation of German armaments is said to be inadequate. Did not Napoleon try to keep Prussia disarmed, and did he not fail? There can be no effective control.

As for French contempt for the League of Nations, it is clearly demonstrated in this document. The guarantees of the covenant are not sufficient. The delays envisaged would not operate. As for aid from America—or any other country—it would arrive too late if it arrived at all. The whole mechanism of the bringing of America into a new war is shown. The need of France for adequate defenses on land, as America, "bounded by two great oceans, compelled by her natural and industrial riches to guarantee their exploitation," has need for adequate defenses by sea, is cleverly shown. "France is conscious of working for peace just as the maritime powers, England and America, are doing in developing their naval forces."

AMERICA'S RESPONSIBILITY

The break-up of Germany by any process of disannexation was rejected, but an interallied occupation was admitted. On July 29 the commission of the Chamber received a long reply to questions which it posed. Why had M. Clemenceau abandoned the viewpoint of Marshal Foch? The Government was on its defense before an angry commission. It argued that other guarantees had been obtained. Indefinite occupation by France alone, it was recognized, would lead to friction, and would help belligerent Germans or bellicose Frenchmen—"animated by the spirit of imprudence which we have known in the days of Boulanger"—to begin another war. What was the trump card, however, to excuse the Government's defeat at the Peace Conference was the promise of Lloyd George and Mr. Wilson to send immediate military assistance to France in case of need, and the "maintenance in vigor of this engagement until all the signatory parties agree that it has become unnecessary." (Page 305.) In return for this promise, France gave up its claim to what the memorandum, quoting Mr. Wilson and Lloyd George, calls "a disguised annexation, a return to the Bismarckian policy and a cause of war in the future."

Was France deceived? We all know that France, having been induced to abandon these Rhineland guarantees in return for a military treaty drawn up between her and America and England, besides the covenant of the League which also suggested American aid, was chagrined to find that the military treaty was never ratified, and the covenant repudiated by America.

It is not difficult to imagine how, believing France to be tricked by Mr. Wilson and let down by Lloyd George, her statesmen resolved that France must look after herself. In bitterness of heart she turned to the militarism with which she is now reproached. That does not make it more sensible, but it explains it.

Disappointed in military alliances with America and England, though these alliances were embodied in treaties bearing the French signatures and those of Mr.

Wilson and Mr. Lansing and Lloyd George and Mr. Balfour (both completed on June 28, 1919), France, still obsessed with the fear of attack by a Germany whose population is nearly double her own, strove to find fresh allies and to disintegrate Germany. She has just signed, against the spirit and letter of the covenant, a secret military pact with Belgium. (It is now said that the pact will be submitted to the League and published—except the clauses relating to military dispositions; but it is obvious (1) that it is precisely secret military dispositions which are most dangerous, and (2) that if the contracting parties are to decide what shall be published and what not, the door is wide open for escape from the terms of the covenant which make a so-called end of secret diplomacy; and the covenant, mocked by its signatories, is not worth the paper it is written upon, and the League is practically non-existent.) Belgium loses her cherished neutrality, on account of whose violation England came into the war, and is pledged to act with France under a common command.

SEEKING NEW ALLIANCES

France also sought rather feverishly for other alliances, partly in compensation for the lost American and British military alliances, partly in compensation for her lost Russian alliance, which maintained the European equilibrium by acting as a counterweight in the north and east of Germany. When M. Millerand became Premier, and M. Maurice Paléologue, his old school friend, a diplomatist who is certainly of the old school, amenable to military, even monarchist influences, and furiously active against the Bolsheviks, became General Secretary at the Quai d'Orsay, there began a search for occult combinations. Intrigues were woven all across Europe. Anybody who could be brought into the French orbit was brought in. Poland was encouraged to regard France as her friend—as indeed she was in lending her General Weygand and saving Warsaw. In return, Poland is expected to be France's friend as against Germany. There is no formal treaty, but it has been made clear that the French Government is content to

see a huge Poland, even an imperialist Poland, comprising tracts of Russia to which she has no right.

POLICY ON THE DANUBE

Men like Maurice Barrès are the intellectuals who inspire the French policy in Bavaria, which would detach Southern Catholic Germany from Prussia and so weaken France's hereditary enemy. Agents are at work, and a French diplomatic representative is separately accredited to Munich. The movement to put a Wittelsbach on the Bavarian throne is countenanced by France, who does not seem to realize that a reactionary Bavaria would not be friendly to France. Nor would the prospects of obtaining an indemnity be improved by the division of Germany.

In Hungary, which will be a barrier to Bolshevism, France has partly commercial and partly political motives. In the agreement which has been concluded the French have not committed themselves to the restoration of a monarchy. The agreement is secret, but some of its provisions have become known. There had to be denounced an earlier secret economic treaty between Hungary and Germany. French financiers obtained control of the State railroads and certain vital industries. In case of military necessity France and Hungary will protect navigation on the Danube. That is one reason why France pressed for Budapest as the headquarters of the Danube commission. The Little Entente—of Czechoslovakia, Yugoslavia and Rumania—was formed to resist any attempt on the part of France to help Hungary, in return for concessions, to upset the Treaty of Trianon.

Some of the alleged clauses have been disputed, but it is only necessary to refer to the *Matin*, which was officially inspired on this subject, to learn that France has pursued a policy which is intended to make her master of Middle Europe, as was Germany before her. It is not only in Hungary that she has operated. In Czechoslovakia the Skoda works have passed under French control. In Upper Silesia she has the workshops of Kattowitz; in Poland the Huta Bankowa; in Rumania car and locomotive

factories; in Yugoslavia an important part of the river system and ports; in Hungary, in addition to the railroads, France has the control of the Credit Bank and the port, while the Hungarian Army is at the service of France.

INTRIGUING WITH HUNGARY

After this statement, there can be no doubt about the agreement, and the strange spectacle has been seen of Hungarian officers in Paris consulting the French authorities about the equipment of their army. What is still more extraordinary is the assertion of Dr. R. W. Seton-Watson, an undoubted authority, in *The New Europe*, that, in return for the leasing of railroads to the French company formed principally by the *Crédit Lyonnais*, France is to advocate the revision of the treaty with a view to restoring to Hungary most of the Banat and Backa, a wide strip of territory along the Western Rumanian frontier, including Temesvar, Arad and Oradia Mare, most of the German districts ceded to Austria, and at least one-third of Slovakia, including the whole course of the Danube from a few miles east of Bratislava-Pressbourg.

It may be doubted whether any real good will come out of this occult policy. The same may be said of the Syrian adventure. France is in Syria, which she wishes to make into a sort of protectorate, after the manner of Morocco, by virtue of secret agreements—the principal document is known as the Sykes-Picot accord—drawn up during the war, in which France and England neatly and cynically parceled out the Turkish Empire. The skin of the bear, thus cut up in advance, proved to be not so easy to divide after all. It was impossible to apply the accord without modification, and England had also entered into contradictory engagements with the Emir Feisal, the son of the King of Hedjaz, whose Arabs had helped the British in the Near East campaign. However, the French expedition under General Gouraud has imposed the French dominion and has routed the Arab resistance. France certainly has material interests in Syria, though her moral rights may be debatable.

Lithuania's Place Among the Nations

Official Story of the New Baltic State's Activities, Government and Fight for Independence

By JONAS VILEISIS

[REPRESENTATIVE OF LITHUANIA IN AMERICA]

Mr. Vileisis has been connected with the modern movement for Lithuanian independence from its beginning—before the Russian revolution of 1905. He has been a member of the Lithuanian Government since its declaration of independence, first as Minister of the Interior, then as Minister of Finance, and finally as first diplomatic representative at Washington. Though he is as yet without recognition there—owing to our Government's policy regarding States created from former Russian territory—all his statements have the stamp of official authority.

THE territory inhabited by the Lithuanian Nation comprises the central portion of the Baltic coastal plain, with an area of somewhat over 40,000 square miles and a population of approximately 6,000,000. The area of Lithuania is a little less than that of Bulgaria, a little more than that of Portugal, about the same as that of Greece before the war. Her population is greater than that of Portugal or Sweden. Of this population about 3,500,000 are of pure Lithuanian blood, the Jews number about 600,000, and the remainder consists of White Russians, Poles, Germans and Letts. The Jewish population is found largely in the cities and towns, White Russians in the eastern section, Poles in the southern. Germans are found along the Prussian boundary and Letts along the boundary of Latvia, to the north. The population is overwhelmingly rural. Vilna (200,000) is the only large city.

The entire country consists of level or slightly undulating land, which nowhere rises to a height of more than 700 or 800 feet above the sea. The River Niemen, rising in the marshes of Pinsk, flows through Lithuania. Beginning its course in a westerly direction, it turns north at Grodno and west again at Kovno and empties into the shallow bay known as the Kurisch Haff, near the old East Prussian boundary. The course of the Niemen forms a sort of letter "Z," each leg of which is about 100 miles long. This river is navigable for sea-going vessels of moderate size as far as

Kovno and for smaller craft up to Grodno. In size and navigability it may be compared to the Hudson or the Potomac, but as it is the one great river of Lithuania its importance to that country may be compared to that of the Mississippi to the United States. [See map on Page 385.]

FARM PRODUCTS AND FORESTS

Lithuania is a country of farms and forests. The arable soil and meadows amount to approximately 5,000,000 hectares,* the forests to about half as much. Nearly half the forests are Government property and it is estimated that from 20,000,000 to 25,000,000 gold rubles† worth of timber per annum can be cut from their increment, without diminishing their area. The arable land is divided among 300,000 farms, of which about one-third belong to farmers possessing less than ten hectares each. These small farmers can hardly subsist from their own land and form, therefore, what may be called a rural proletariat. From among their numbers and from those who possess no land (about 20 per cent. of the total population) the emigration to other countries before the war was very large, that to America alone being from 15,000 to 20,000 workers annually. The average small farm contains from twenty to thirty hectares, and such farms constitute about 60 per cent. of the entire

*A hectare is 10,000 square meters, or a trifle less than 2½ acres.

†The gold ruble is approximately 50 cents.

number of holdings and occupy about 40 per cent. of all the arable land. Larger estates—over 1,000 hectares in extent—comprise only about one-tenth of 1 per cent. of the total number of farm holdings and occupy land to the extent of about 20 per cent. The middle class of farmers mentioned above can not only properly support themselves from their land but can also sell a portion of their product.

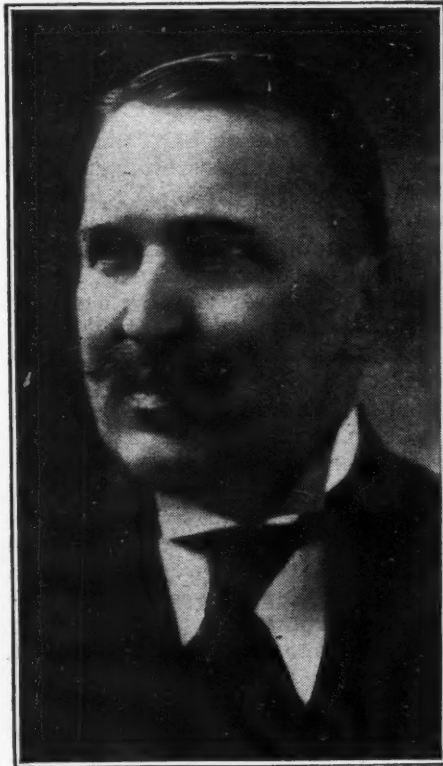
The main crop of the country is rye, which covers 41 per cent. of the total arable soil; oats cover 23 per cent.; barley, 12 per cent.; potatoes, 10 per cent.; wheat, 5 per cent.; peas, 3 per cent., and flax, 3 per cent. Stock raising and dairy farming are also extensively carried on. Horses, cattle, hogs, sheep and poultry, and their products, were exported before the war. Large quantities of butter, sent from Lithuania to Denmark in bulk, reached the world in tins as Danish butter.

Lithuanian flax and flaxseed are worth special mention. This crop is valuable out of proportion to the soil area used in its cultivation. The flax has a fine lustre and the linen woven from it can be readily distinguished from Irish or other linen. The linseed oil made from Lithuanian flaxseed is of high quality and produces a hard, glossy, durable surface in paint. These peculiarities are said to be due to the presence of manganese in the soil. Flax does best on fallow land and it is noteworthy that the cultivation of flax has increased, during the war, at the expense of other crops, and with the present great demand is likely to prove one of the most important of Lithuanian exports.

Before the war, Lithuanian exports of cereals were to the value of 10,000,000 gold rubles annually; live stock, 8,000,000, and timber, 25,000,000—a total of 43,000,000 gold rubles. At the same period the imports reached a total of about 25,000,000 gold rubles.

The yield of the land and the profits of Lithuanian farmers could be easily increased if the farmers were able to obtain proper agricultural machinery and artificial fertilizers. Before the war agricultural machinery was already extensively imported from America, and

now, with the increased prices of draft animals, the number of which was greatly diminished during the war, the necessity for the use of machinery has correspondingly increased and could readily support an importation of several million dollars' worth per annum.



JONAS VILEISIS
Representative of Lithuania in the United States
(© Clinedinst)

INDUSTRY AND COMMERCE

Lithuanian industry before the war was a rapidly developing embryo. There were about 5,000 industrial establishments throughout the country, whose yearly product amounted to 60,000,000 gold rubles. The number of people employed in these establishments, however, did not exceed 150,000. Commerce was practically in the same condition. There were about 25,000 commercial establishments which had annual transactions of a value of from 150,000,000 to 200,000,000

gold rubles, the profit from which was about 15,000,000 gold rubles.

This feeble industrial and commercial development was mainly the result of the Russian policy, which did not permit Lithuanian industry to exploit its own raw materials, nor encourage the growth of Lithuanian commerce. Most of the manufactured products came from either Germany or Russia. On manufactures of wood, for example, Germany imposed duties so high that timber could be exported from Lithuania into Germany only in a completely crude condition. Numerous sawmills and woodworking plants were established in Germany along the Lithuanian border. Timber, much of it brought down from the Nieman River in rafts, was worked out into the finished product in Germany and thence exported to other countries.

Meantime, owing to the cheap labor market and large supply of raw material in Lithuania, it would have been possible under properly organized water communication to develop a number of strong industries, such as woodworking, tanning, and textile manufacturing. Just before the war, tanning was rapidly developing in Lithuania, particularly at Shavli and Vilna, whence several million rubles' worth of leather and leather products were annually exported into Russia.

Independent Lithuania will undoubtedly be able to develop her manufacturing industries as rapidly as she can secure the necessary machinery. Such machinery as she had was almost entirely destroyed or carried away during the war. The demand for American machinery will be increased by the fact that a great many Lithuanians who are accustomed to the use of American machines are now returning to their own country from the United States.

Lithuanian imports will consist not only of products for distribution at home, but also of articles which can be sent to Russia, for which Lithuania will constitute a distribution point. Moreover, the newly organized Lithuanian Government will require many manufactured products for its proper administration. Take, for example, the railroads. Lithuania has today about 1,800 kilometers of standard-

gauge railroad and about 800 kilometers of narrow-gauge road, the combined value of which is in excess of 400,000,000 rubles. The Lithuanian Government has already bought from America a number of locomotives and will need more in the near future. New railroads must be constructed in order to facilitate connections with the Lithuanian port of Memel. This port must be developed by deepening it and improving the dock facilities, and ships must be built.

FINANCIAL SITUATION

The Russian Government formerly collected from the people of Lithuania in excess of 55,000,000 gold rubles annually in various forms of taxation on lands and forests. This money went into the central Russian treasury for general requirements. Comparatively little was spent for Lithuanian needs. To the schools, for example, not more than 2,000,000 gold rubles annually was assigned, while for the support of the Orthodox Russian Church more than the sum of 4,000,000 gold rubles was spent, notwithstanding the fact that the inhabitants of Lithuania are nearly all Roman Catholics.

Here it may be noted that in 1919 the Lithuanian Government spent for educational purposes 10,000,000 marks*—one-sixth of the entire revenue raised by taxation and two and one-half times as much as was spent by the Russian Government before the war for this purpose. Moreover, this expenditure took place in the area administered by the Lithuanian Government, which was at that time only one-half of Lithuania proper, the remainder of the country being under Polish control, so that, area for area, Lithuanian expenditures for education are five times as great as were Russian expenditures for the same purpose. Under the former Russian régime there were in the whole of Lithuania 10 high schools (gymnasias) and 600 schools of all other grades. Under the Lithuanian Government there are, so far, 36 high schools and 1,400 other public schools; that is, taking into account the restricted area administered by the Lithuanian

*The normal value of the mark is about 25 cents.

Government, there are seven times as many secondary schools and nearly five times as many schools of other grades as there were in the Russian régime.

During the earlier part of the war the German occupational army governed Lithuania, but on Nov. 27, 1918, the first Lithuanian Ministry was organized, and laws and regulations were given out for the collection of monthly revenues. A loan of 100,000,000 marks was floated in Germany, and Lithuanian administration was set in motion in the early part of the year 1919. The Government Treasury was created, with eighteen branches throughout the country; monthly revenues were provided; local militia established; an army created, and local autonomous Governments set up. The entire apparatus of the administration was in the hands of the Lithuanian people, and during 1919 it was possible to collect in the regions which had been liberated from the Bolshevik and German occupation about 60,000,000 marks of revenue, all of which was spent for the internal necessities of the country. In addition to the 10,000,000 marks for education, 8,000,000 marks were spent for the establishment of local industries and 12,000,000 marks for the rehabilitation of farms. War expenditures have exhausted a large share of the Lithuanian revenue so far, but under normal conditions it is expected that the Government's annual income will easily reach 250,000,000 marks, which will be fully sufficient for conducting the civil administration of the country and for maintaining a proper army for defense.

CURRENCY PROBLEMS

At the present time a very urgent question for the Lithuanian Government is the establishment of its own currency. The circulation now consists of the German occupational Government's "Oberost" mark (two German marks equal one Oberost ruble), German "Reichsbanksnotscheine," and Russian Czar's and Kerensky's rubles. Throughout the territory occupied by the Germans—Lithuania, Latvia and Ukraina—these ostmarks were issued to the amount of about one and one-quarter billions. According to estimates, there are 700,000,-

000 or 800,000,000 ostmarks in circulation in Lithuania, in exchange for which the German Government has bought various goods from Lithuania, leaving German paper currency in the country to be exchanged ultimately for German marks. In addition to the ostmarks there are in Lithuania about 200,000,000 German marks and about 300,000,000 Russian rubles, whose value today is only about one-half that of the mark. The Kerensky and Bolshevik rubles have entirely lost their value and their use as money is prohibited. The ostmark naturally depreciated step by step with the German mark, but there have recently been evidences that, on account of the improvement of the credit of the Lithuanian Government, the ostmark is advancing in value with reference to the German mark. The Lithuanian Government purposes in the near future to issue its own currency, on the basis of the stable unitary value of the currency of other countries.

As regards debt, the Lithuanian Government is now in a good situation. The loan of 100,000,000 marks from Germany has all been taken up, although it did not mature until December, 1920. Other obligations of the Government include between \$4,000,000 and \$5,000,000 for supplies purchased from the United States Liquidation Commission and approximately the same sum borrowed from the British Government. The total external debt of Lithuania now amounts to less than \$10,000,000.

FORMATION OF THE GOVERNMENT

The present Government of Lithuania may be said to date from Sept. 19, 1917, when the Lithuanians, with permission of the German occupational authorities, called a convention at Vilna. Two hundred and forty delegates assembled and proceeded to elect the first National Council or "Taryba," consisting of twenty members. A marked nationalist sentiment soon disclosed itself in this council, which proclaimed the independence of Lithuania on Feb. 16, 1918. Germany recognized the independence of Lithuania on March 23, 1918, but her

plan for incorporating Lithuania into the empire, with a Bavarian Prince as ruler, came to an end with the armistice, Nov. 11, 1918.

THE CONSTITUENT ASSEMBLY

On Jan. 14, 1919, a second convention was held, which elected the second Taryba, with thirty-nine members. The Taryba chose a provisional Cabinet of Ministers and a President, under whom the affairs of the Government were conducted until the election of the Constituent Assembly, April 14-15, 1920. The Assembly convened May 15, 1920. It consists of 112 members, whose party divisions are as follows: Christian Democrats, 59; Populist and Nationalist, 29; Social Democrats, 13; Jews, 6; Poles, 3; Germans, 1; Nonpartisan Workers, 1. From 80 to 90 per cent. of the voting population participated in the elections, which were held under a proportional representation law, intended to safeguard the rights of minorities.

Provisional President Smetona automatically ceased to hold office with the convening of the Assembly, and President of the Assembly Stulginskis was chosen Acting President of the State. A new Cabinet was formed, including representatives from all parties. The Constituent Assembly continues in session. Apart from the attention required by the military situation, it has been concerned actively with plans for the distribution of the public lands, with the ratification of the treaty with Russia, and, of course, with the formation of a permanent Constitution.

Great Britain, which has pursued a policy consistently friendly toward Lithuania from the beginning, extended de facto recognition to the Lithuanian Government in September, 1919. Similar recognition has been given by France, Italy, Switzerland, the Scandinavian countries, Holland, Latvia, Esthonia and, finally (July 6, 1920), by Poland. Soviet Russia recognized the independence of Lithuania by the Treaty of Brest-Litovsk.

The Spring and Summer of 1919 marked a period of confused military operations. Bolshevik troops, after hav-

ing overrun two-thirds of the country, were forced out under the combined operations of the Lithuanian army and the remaining German forces, and by the Polish advance, which resulted in the Polish occupation of Vilna in April, 1919.

A line of demarkation was laid down between the Polish occupational forces and the Lithuanians, but feeling against the Poles ran high in Lithuania because of their occupation of Vilna, the capital of Lithuania from ancient times, and there was much friction between Polish troops and the Lithuanian population of the occupied territory.

Lithuania also found cause for complaint in the continuance of German forces in her territory. These forces were finally withdrawn near the close of last year. An outlaw body of mixed Russian and German troops formed itself in Lithuanian territory during the Summer of 1919, headed by Colonel Avalov-Bermond, understood to be acting in the interest of the Kolchak Government. These adventurers were forced to disband.

Lithuanian delegates attended the conferences of representatives of the Baltic States held at Dorpat, Esthonia, and Helsingfors, Finland; neither conference, however, produced any tangible results in definite policy. Plans for a federation of the Baltic States continue to be discussed, however. In February, 1920, a Lithuanian delegation went to Moscow to arrange for the exchange of prisoners and to discuss tentatively the question of peace between Lithuania and the Soviet Government; but it was not until July 13 that the treaty of peace between the two Governments was signed. The Lithuanian Constituent Assembly ratified this treaty on Aug. 6.

BOUNDARIES WITH RUSSIA

Under the treaty Lithuania obtained what are practically her ethnographic boundaries with Russia, as follows: Beginning at Druya, on the River Dvina, thence south to Lake Narotch, along the Rivers Nerutis (Narvianka) and Berzuna to the River Niemen, and along the Niemen to the mouth of the River Svislotch; thence by the River Sv. slotch for a distance of twenty versts; thence west-



MAP OF LITHUANIA, WITH TENTATIVE BOUNDARIES, AS DEFINED BY RECENT RUSSIAN TREATIES AND BY AGREEMENT WITH POLAND

ward to the junction of the Rivers Bobr and Gorodnianka. Lithuania also obtained 3,000,000 rubles gold and valuable timber rights on the Russia side of the boundary line. The civil administration of Vilna was turned over to Lithuania, and in spite of some friction and even actual fighting with Bolshevik troops the efforts of the joint Lithuanian and Russian Commission appointed to supervise the execution of the treaty promised early adjustment of their difficulties. [September, 1920.]

Meantime the fortune of war had turned in favor of Poland. The Russians retreated and the Poles advanced, finding themselves confronted along their left wing by small Lithuanian detachments, who had occupied territory given under the Russian treaty. The first clash occurred at Augustovo Aug. 30. Seinai and Pinsk were occupied by the

Poles Sept. 6. Negotiations were opened at Kalvariya Sept. 13.

Meantime the Council of the League of Nations took cognizance of the dispute between Poland and Lithuania at its meeting of Sept. 17, and on Sept. 20 the representatives of Lithuania and Poland at Paris, MM. Voldemaras and Paderewski, agreed in the names of their Governments to submit to the decision of the League.

The negotiations at Kalvariya had been broken off and fighting had been resumed. The Poles crossed the demarkation line and advanced as far as Orany (Varena) and Bastunai. New negotiations were begun under the auspices of the Control Commission appointed by the Council of the League of Nations at Suvalkai. On Oct. 7 an agreement was signed for the cessation of hostilities, but Polish troops under General Zeligow-

ski, attacking from Bastunai, captured Vilna* on the night of Oct. 9.

HOPES FOR THE FUTURE

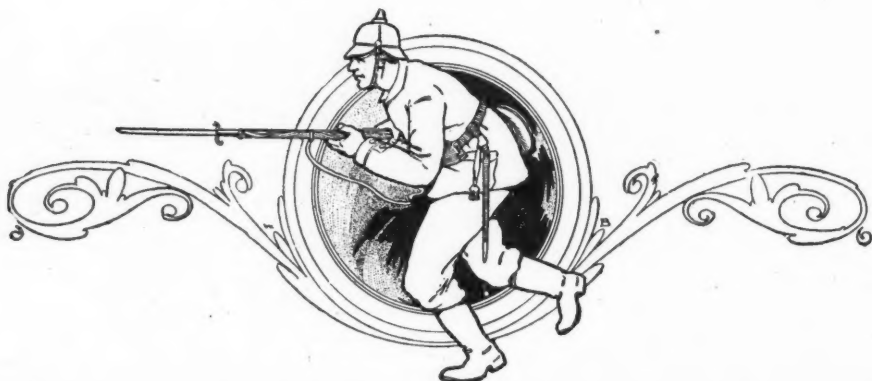
The ultimate destiny of the Lithuanian State rests, of course, upon the character of its people and the genuineness and strength of their determination to maintain their independence, as to which there can be no doubt whatever. With Memel as a port and Vilna as a capital, Lithuania is quite capable of supporting herself, being in a sound position economically and needing nothing from other countries in order to subsist. Her geographical position fits her to play a part as a channel of communication between Central and Southern Russia and the rest of the world, much as the Netherlands have done with respect to Western Europe.

Feeling itself to be comparatively weak at present, the Lithuanian Government will pursue a conservative and cautious policy as to relations with its more powerful neighbors. Like the keystone of an arch, held in position by the pressure of contiguous members and in its turn supporting the entire structure, in-

dependent Lithuania will be a strong guarantee of peace between Germany, Russia and Poland. The doctrines of Bolshevism find no foothold in this land of peasant proprietors, who are slow to adopt novel ideas and desire only to be left free to control their own affairs.

At present there is a natural dread of the imperialistic tendencies shown by the Polish Government, but peace between the two countries can be obtained on a basis of mutual justice. Lithuania suffered greatly under German occupation, but there is no desire for revenge, as it is felt that friendly relations with Germany are most important. So also of Russia. The imperial Russian régime was bad for Lithuania, and she will never submit to a return of Russian control; but economic necessity dictates the closest commercial relations between Lithuania and Russia. At the present time Lithuanians feel very grateful to Great Britain, whose Government has assisted them in various ways. The Lithuanian Government is strongly desirous of friendly relations with the United States, where a million people of Lithuanian origin are living, but the policy of the American Government in declining to recognize the independence of States whose territory formed part of Russia (with the exception of Poland, Finland and Armenia) so far prevents or hinders the establishment of such relations.

*The author of this article has confined himself to a bare statement of facts in connection with the Polish advance into Lithuania and the recapture of Vilna, refraining from criticism of Poland's action, at the request of the editor of *CURRENT HISTORY*, in order to conform with this magazine's preference for non-partisan facts.



CONTRIBUTIONS FROM READERS

CURRENT HISTORY undertakes in this department to publish such open letters as it considers of general interest. No letter will be used without the name and address of the writer. On controversial questions it will be the aim to give all sides an equal chance at representation; CURRENT HISTORY, of course, does not necessarily indorse opinions contained in these letters.

LITHUANIAN PROTEST AGAINST POLISH AGGRESSION

To the Editor of Current History:

Will you kindly grant space in your magazine for the following resolution passed by the Lithuanians of Chicago:

"Chicago Lithuanians, assembled at the Seventh Regiment Armory of Illinois, Oct. 31, 1920, under the auspices of the Lithuanian Societies and Organizations, representing the Lithuanian colony of Chicago and suburbs, of over 100,000 people, and reflecting the sentiment of the 800,000 Lithuanians residing in the United States of America, have taken under their serious consideration the conditions now prevailing in their native land.

"At the time when it seemed that the bloodshed in Europe had ceased, Lithuania, our native land, found itself engulfed by the fire of war. Part of the Polish Army, under General Zeligowski, invaded Lithuanian territory and captured the capital of Lithuania, Vilna.

"This is already the second invasion of Lithuania by the Polish armies. It is obvious that Polish militarism is determined to destroy the youthful State of the Lithuanian Republic, and to subjugate its people for the exploitation of the Polish magnates.

"Lithuania has given to Poland no cause for war. It desired to live in peace with its neighbors. When the dispute over territorial boundaries had arisen out of the Polish claims, Lithuania made every effort to find a peaceful solution of the problem. It has gladly submitted the question to the Arbitration Committee of the League of Nations.

"The Poles, however, shamefully violated their given pledges, and, without waiting for the verdict of the Arbitration Committee, resorted to the use of arms to establish their claims to the Lithuanian territory, and to the Lithuanian capital, Vilna.

"Under these circumstances, Lithuania was compelled to meet violence with force. The blood again is flowing, and the people of these two neighboring countries are again made victims of the mad military imperialism which flourished in the bygone days of Prussian design to conquer the world.

"Lithuania is determined to defend her national life, her freedom, liberty and independence to the last drop of her blood. Lithuania will perish rather than submit to the rule of the mad Polish Junkers.

"In these grave days for Lithuanian national existence, is it not proper for the whole civilized world to look into this violent con-

duct of Poland, and to curb Poland's imperialistic adventure?

"In the name of the democratic principle of self-determination of all nations, and in the name of humanity, we protest against the outrageous conduct of Poland toward Lithuania and appeal to the whole civilized world to sustain Lithuania in her struggle for peace and justice."

By placing this resolution before the American public you will be granting a favor to Lithuanians both in Chicago and New York.

JOSEPH KRIPAITS.

257 West Seventy-first Street, New York,
Nov. 11, 1920.

THE TROUBLE WITH ARTICLE X.

To the Editor of Current History:

The tenth article of the League of Nations covenant, which has been so widely discussed, reads as follows:

"The members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the League. In case of any such aggression, or in case of any threat or danger of such aggression, the council shall advise upon the means by which this obligation shall be fulfilled."

Whether the assumption of an obligation—on the part of the members of the League—to respect and preserve the territorial integrity of all its members is right and just, depends upon the question whether the territorial arrangements made by the Peace Conference and embodied in the various treaties are right and just. Almost all writers who have pronounced upon the terms of these treaties agree in considering the territorial arrangements as unjust and unfair in several instances. Three millions of Germans have been handed over to Czechoslovakia instead of being joined to Austria. Croatia and Slovenia have been incorporated with Serbia, without their inhabitants having been consulted as to whether they wish such an incorporation. More than a quarter of a million of Tyrolean Germans have been annexed to Italy and severed from Austria, while 400,000 Slavs have likewise been placed under Italian rule. Dobruja, where out of a population of about 275,000 inhabitants hardly 7,000 are Rumanians, has been given to Rumania, contrary to the avowed wishes of the Turks and Bulgarians who form the overwhelming majority of the population.

Western Thrace, where, according to a census taken by the French military authorities, the Greeks form only one-fourth of the population, has been added to Greece, in spite of all the protests and petitions of the Turko-Bulgarian majority. Macedonia, where the Bulgarians constitute about 1,250,000 of the population, has been divided between Serbia and Greece, although in the whole province there are no Serbians and the Greeks do not amount to more than a quarter of a million at the most.

In view of these glaring iniquities in territorial redistributions sanctioned by the Peace Conference, is it just and right that this country, which entered the war for nobler and grander ideals, should be committed to respect and preserve such iniquities? The answer to this question is plain, unless the United States and its people wish to be made accomplices in the selfish and vindictive policy which guided the great European powers in their decisions. For this country, which has always been guided by high principles of morality and justice in its international relations, to become a party to such a compact would be an outrage upon its traditions and the spirit of its history.

THEODORE VLADIMIROFF.

Frankford, Philadelphia, Pa., Nov. 10, 1920.

A PROTEST ON BEHALF OF HAITI AND THE BLACK RACE

To the Editor of Current History:

In view of the recent disclosures of American brutality and wanton slaughter in Haiti it is indeed enlightening to pore over that masterpiece of verbal camouflage in *CURRENT HISTORY* for September, under the caption, "American Control in the West Indies," by Elbridge Colby.

I cannot imagine any American white being interested in what American blacks think about the Haitian situation. The mere fact that Haitian blacks in America are in possession of direct information from friends and relatives in Haiti, that numbers of fugitives fleeing the murderous power of the American whites have, unfortunately, come to these shores, and that the things they relate dovetail so nicely with the barbarous customs in vogue in the southern portion of the United States, is, considering the helplessness of American blacks, really of no significance.

The same processes which keep them in awe and horror of anticipation here in America will, no doubt, soon do their work as thoroughly in Haiti. It is indeed sad that blacks, anywhere, should be suspicious of American whites. I so often think how silly it is for a rabbit to be suspicious of a dog.

The uncovering of this Haitian episode is a sad disillusionment to American "ne-

groes," who fancied they could foresee a hopeful rift in the clouds of hate and persecution which hang like a pall over their very existence and penetrate even the most trifling relation that brings black into contact with white. The occasional indulgence in floods of pious platitudes may deceive even those who utter them, but actions tell black men and women that whites have only one purpose—as far as blacks are concerned—and that is their moral and economic exploitation, now and forever. Brutality and murder, of course, are only "necessary measures" to facilitate that exploitation. We understand those things fully; in fact, many are beginning to declare that they would prefer African savagery, uncamouflaged, to American savagery under the guise of Christian civilization.

The reading public cheerfully assumes the unquestioned veracity and authenticity of articles appearing in publications like *CURRENT HISTORY*, and many are prone to look upon blacks as unappreciative and ungrateful.

So much for propaganda. Yet these same "perfect Christians" would permit neither the Haitian black nor the American black to give publicity to the "naked truth" concerning racial relations. The wonder is that every black does not flee screaming in terror at the very sight of a white. It is pitiful—as depicted by Mr. Colby—how grossly and continually the perfectly humane intentions of American whites are misunderstood. Shades of the immortal Lincoln! Writers on racial relations invariably fall back upon their archaic subterfuge, "social equality." Any honest man, of any color whatsoever, knows that what "negroes" want is "liberty within the law, equality before the law, justice through the law."

But, of course, it is necessary to keep the public mind inflamed lest in moments of introspection Americans perceive the beam in their own eye. That would never do.

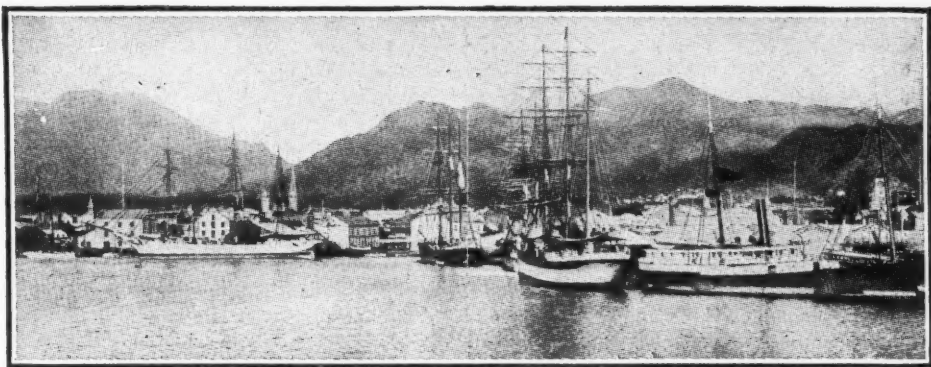
To me it would seem a happy solution for the American Government to load up the blacks, bag and baggage, and dump them on some African coast. Some provision should be made by which mulattoes should remain here, as they are mostly a drawback to the race, anyway.

We laugh—yes; what else can we do? Tears and prayers avail us nothing. We at least desire to have it understood that we are helpless, but not deceived. We realize that our day has not come. We neither predict nor threaten; 'twere not wise. Fate plays us all strange tricks; we but watch the cards as they fall.

Allow me to express the sympathy of ten million blacks for the much-maligned but ever-righteous white American. May he ever adore himself—that is his sole privilege.

RUFUS A. REED.

Tacoma, Wash., Oct. 26, 1920.



THE HARBOR OF HONOLULU

Hawaii's Land and Labor Problem

By ROBERT W. NEAL

HAWAII has been a Territory of the United States since 1898. Whether the political methods that brought about the annexation were those of the angels of darkness or of the angels of light is now immaterial. All that was fit to print of the dispute was epitomized in the mass of testimony taken by the Blount Commission in 1897. Echoes of the controversy—it drew into itself most of the personal, commercial and party feuds and quarrels of the preceding era—are still heard now and then. But they sound hollow and unreal. Conditions have been changing, especially in the last fifteen years, and old troubles have disappeared beneath new problems.

Last Winter a territorial commission came to Washington, asking for co-operation from the mainland. In this year's platforms both political parties have recognized the existence of a Hawaiian problem, at least to the extent of inserting cautiously worded Hawaiian planks. In the Territory new issues are gradually becoming definite enough to enroll influences for and against—as in the case of the request for Statehood, which is opposed by the powerful Chamber of Commerce of Honolulu. In brief, trouble is threatening in the "Paradise of the Pacific," and the situation may become acute—indeed, has become acute, at least in the labor dispute.

AMERICANISM IN HAWAII

Hawaii has its troubles just now. Though it would be sensationalism to depict the islands as a rotten Denmark, there is need for prompt and statesman-like action looking toward improvement in various directions. The Territory is loyally American—at the top. It has grown up under American influence. Its leaders are mostly patriotically American. Its Government is built on the American constitutional model. It has public schools, plenty of taxes, a Republican and a Democratic Party (i. e., the Ins and the Outs). It has free religion, politics, counties, an important agricultural experimental station, and high cost of living. A few months ago it staged a genuine Wild West train robbery, and at about the same time incendiary fires, laid to labor disputes and sabotage, were alarming plantation owners.

But it has also big irrigation systems, with others under development. It has highly modernized agriculture; Hawaiian planters were using tractors freely when we on the mainland were just beginning to appreciate their utility, and the fertilizer bills there would appall many of our farmers. It home-grows practically all its meat. It has 1,000 miles of railroad—two-thirds of it, however, the narrow-gauge, liver-agitator kind, plantation operated. It has good interisland

water transportation, with wharfage, docks, warehouses, and charges numerous and high. It manufactures most of the standard parts and much of the equipment for its sugar and other mills. It is constantly growing in importance on its own account, as a station in the Asiatic trade and as a tourist station, and it is planning, or already carrying out, extensive increases in its trade and shipping facilities. It has a cultured, wealthy class that is usually remarkably liberal toward all charities and public causes. But, finally, it has a race problem, a land problem, a labor problem and a corporation problem—especially a race problem and a land problem.

MAKERS OF HAWAII

All this indicates that Hawaii is American, and that its leaders have been "big," patriotic men. It is the men of this class, and their fathers and grandfathers, who have been the vital force in Hawaiian development for 100 years. They were the promoters of orderly administration, the developers of the Territory's resources and industries, the liberalizers of its theory of Government—and sometimes the benders of these principles to private ends. New times are bringing changed conditions, but that cannot detract from the achievements of the older period.

Moreover, these men are the best friends that we have in the islands—the only active friends. They are our friends because their instincts and traditions are American—and also because, so far as their prosperity is concerned, the situation is for them, Uncle Sam or nobody. Shut Hawaii off from her favored access to the markets of the mainland and her industries would collapse; she would have nobody to turn to but Japan, and Japan offers her little commercial outlet for her products.

Yet, notwithstanding all that is owed to the past achievement of these leaders, Hawaii seems to have reached a point where new leadership, or at least a new policy, is necessary. No fell swoop of impulsive reform is desirable, yet changes are demanded as rapidly as good sense and justice will permit. Naturally,

some planters and factors, business men and politicians of the islands, are inclined to minimize and deny the difficulties, but others are worried about them. It is wise, at least, to survey the situation. The desirability of "Americanizing" the populace will scarcely be denied; the disputes will arise over the processes to be adopted.

According to the estimates of the Ter-



WHERE THE PALMS DROWSE OVER THE
RICE FIELDS IN HAWAII

(Photo by Williams in "Paradise of the
Pacific")

ritorial officers—which seem more dependable than those of the national census, and lend themselves better to analysis—there are 264,000 persons on the islands, classified as Anglo-Saxons, Japanese, Chinese, Filipinos, Hawaiians and so on, and including 31,000 “other Caucasians,” among these being sprinklings of Russian, Spanish and other, mainly low-caste whites. Of the total 264,000, about 110,000 (125,000?) are Japanese, 22,800 Chinese, 22,000 Filipinos, some 39,000 Hawaiians, pure or mixed; and there are Koreans, Porto Ricans, Negroes, Gilbert Islanders and others, in small or negligible numbers. In other words, disregarding in both totals the residents of some degree of Hawaiian (Polynesian) blood, two-thirds of the remaining, or about three-fifths of the entire population, is Asiatic, and a large proportion of the rest is, on the whole, of inferior quality. Manifestly, both to prepare Hawaii for statehood and to make sure our grasp upon it as our key to the Pacific, this mass of alien humanity must be won to American ideals and American standards.

A THREE-PART PROBLEM

Putting aside a good deal of what we can hear—and we shall hear more of it as time goes on—mingled fact and sensational exaggeration about things amiss, such as gross moral conditions, ignorance, superstition, religious backwardness, the failure of the public schools, the unfitness of the populace for popular government, the dangers of such government where the Asiatic element is so large and has an increasing vote (a vote that so far it has never used)—putting this aside, we shall find that the problem of Americanization involves three sub-problems:

1. How to establish and maintain land ownership, with small and diversified farming, among the masses; if possible, without injuring the fundamental prosperity of Hawaii's leading industry, sugar growing and (to some extent) fruit growing.
2. How to get rid of that portion of the population, especially the Oriental element, which cannot be Americanized, and how to make loyal Americans out of that portion which cannot be got rid of.
3. How to bring about harmonious re-

lations between the employers of labor and the large bodies of low class labor made necessary by the character and industry upon the islands.

The “home rule” mentioned or slanted at in the platforms can safely be left to result from any effective policy of fundamental Americanization.

None of these three problems can be solved without involving the others, but solving them would assure the prosperity of the people of the Territory. It would do more. It would remove the danger that an indifferent or hostile population may some day become the means of breaking our hold on this immeasurably important key to Pacific Ocean safety.

THE LAND AND THE LANDLESS

The land is not now, and never has been, held by the people. Under the monarchy it was the property of the King—parceled out by him to tribal chiefs, by them parceled out to retainers, and so down through seven degrees. Every time a man higher up died there was a new deal to all below.

In 1848-50 came the *mahale*, or distribution. Whether the motives of all who urged it were disinterested does not matter—it was a move in the right direction. But the King and the chiefs and upperlings came out of it with more than 2,500,000 acres from a total of 4,800,000; 11,300 common folk got 28,600 acres, an average of two and one-half acres apiece, and even that had a string to it. The remainder, more than 1,500,000 acres, became “Government” lands. Parts of all these big shares ultimately drifted into the classification of public lands. The Territory now has title to, but not actual possession of, 1,650,000 acres. This includes a great deal of waste, and also much grazing and forest land; of the former, from 250 to 500 acres are usually counted as equivalent to ten acres of tillable land.

But though the *mahale* wiped out feudal land tenure as a legal theory, it did not destroy land monopoly. Long-headed investors and business men went after all they could get, especially as sugar raising increased and the demand for cane land grew. Owing to the nature of the

terrain, too, and of the historical boundaries, to get the cane land it often was necessary to acquire much larger areas. Provision for future irrigation systems, enlargement of plantations and other development dictated the same policy. Individuals, companies and corporations bought, and the improvident and extravagant Hawaiian "nobility," trained to profligacy by the prosperous conditions of the "sandalwood era" (1791-1825) that was still remembered with regret, freely parted with their title. The prosperity of the whaling trade era (1819-60) had the same influence. When purchase was not feasible, long-term leases were taken. Some of these (or their renewals) will not expire before 1940. By 1898 a large portion of the land—cane, coffee, rubber, rice, corn, wheat and sometimes grazing and waste land, but not to the same extent the forested areas—had come into the control of closely allied groups. A good deal of the land thus held is not utilized, and some of it is not regarded as utilizable, owing to the volcanic origin of the islands.

BEATING THE LAND LAWS

To avoid corporation control an act was passed in 1910 prohibiting any corporation from owning more than 1,000 acres, but at that late date no large amount of desirable land was on the market. The law, however, did not forbid leasing. A stockholder or any one else could lease any amount of land to a corporation. The corporations, so far as the law was concerned, could even sell away their illegal excess and take it back on lease. Subsidiary corporations to any number could acquire their 1,000 acres each and lease the land to the head corporation.

Here is one example of the means found to evade the spirit of the act. The figures are from the Manual of Hawaiian Securities for 1919. The company owns 32,700 acres in fee simple and leases 1,354 acres more. But this company is not incorporated; it is a "partnership" of seven subsidiary companies, some of them incorporated. It holds \$218,500 worth of stock in the "agencies" and \$842,000 worth of stock

in "other companies." That is, it is interlocked to the extent of more than \$1,000,000 with other big firms and corporations. Its cane acreage alone is almost nine times as much as the total acreage that a corporation is supposed to hold. According to testimony by territorial Commissioners before the House Committee on Territories last February, some of the companies thus operating have proceeded under authorization of United States District Attorneys, and are apparently immune from consequent prosecution.

Such interlocking of interests, together with long-term leases and the fundamental inefficacy of the 1,000-acre law, explain the monopoly of land and the dominance of "big agriculture," in which are interested nearly all the wealthy element, directly or indirectly. The closest association exists. The system of wheels within wheels, with the factor or agency firms as the master wheel, had produced a situation by which ten years ago five such firms were the virtual autocrats



COCONUT PALMS—A HAWAIIAN COPRA ORCHARD

of the sugar industry; and since 1912 two firms have apparently gathered a greater control to themselves at the expense of the other agencies. And it is to be remembered that this organized agriculture is the one great basic industry. By means of such centralization and of the Planters' Association a concerted policy and control, with economic, financial and political powers, are made easy.

"ALL OTHERS" ONE-SIXTH

An interpretation of the table of assessed values from the latest report of the Territorial Treasurer tells the story in another form:

REAL PROPERTY

Corp'ns, firms, &c. (nearly 2-3) ..	\$88,643,557
Anglo-Saxons (largely the individuals interested in the "corporations, firms, &c.")	24,306,847

Together (more than 5-6)	\$112,950,404
All others (i. e., Hawaiian blood, Portuguese, Spanish, Chinese, Japanese et al) (under 1-6)	21,592,916

Grand total	\$134,543,320
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PERSONAL PROPERTY.

Corp'ns, firms, &c. (nearly 9-10) ..	\$88,665,035
Anglo-Saxons	3,976,871

Together (more than 9-10)	\$92,641,806
All others (under 1-10)	8,465,741

Grand total	\$101,107,647
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Even this does not tell quite all, for the property credited to Hawaiians is largely that of rich native estates closely allied with the other landed and moneyed interests. But, so analyzed, the table clearly shows that the territory has segregated land control and segregated wealth to a disproportionate extent. That the condition exists is more important than the explanation of its development.

Unfortunately, to bring about a sounder distribution of the land is not so easy as to talk about it. A break-up of the scientifically conducted plantations undoubtedly would mean a decrease in production. For a long time it would mean either a higher tax rate or reduced tax receipts. It might mean the entire reorganization of the sugar industry. The mills, lacking acreage to produce

their own supply, would have to purchase from small growers under disadvantageous conditions. Hence the mills as part of the plantation system would disappear with the system, and in their place would come separate, independent and probably smaller mills. These would depend on the output and the custom of the farming public.

Thus would arise an entirely new set of conditions and problems, such as mill credits, efficient production, adequacy of supply, contracts with growers, delivery and financing of growers by the mill. Above all, the adjustment of the supply of labor would be difficult. Under the present system, labor can be switched about from plantation to mill as needed, and thus kept busy through the year, and the employment is for twelve months. Under the new system, the farmers needing help only part of the time, and the mills needing help only part of the time, labor would have to shift about, finding its own employment as the labor seasons changed. Now, itinerant labor is almost unknown; then there would probably be constant moving from employer to employer, and in distributing itself labor would lose time, meet new expenses and hardships, and run the chance of unemployment. In the Philippines the independent mill operates profitably, but under conditions different from these.

HOMESTEADS NOT KEPT

It is not certain that the "people" want land to live upon and cultivate. They want it—but they often want it for the quick speculative profit they can make on it. Much of the demand for "homesteads" (considerably different from the mainland homestead) is little better than a speculative grab. It petitions to have homesteads sliced out of highly developed leased lands (Government lands), some of which are worth \$1,000 an acre. When withdrawn to be homesteaded, these lands are appraised at \$500 and even \$250 an acre. All along the line the value set by the appraisers upon homestead tracts is likely to be only 25 or at most 50 per cent. of the actual market value. The moment the home-

steadier gets title, he is ready to sell—at the market price. The “clean-up” runs from 100 to 300 per cent. The very folk for whom the small holding is devised rush to throw it away.

When homestead drawings occur there is a regular trade in chances. Men apply whose only capital is the postage stamp with which they mail their application. In drawings for thirty, forty or fifty allotments the “applicants” may number 300, 500, and in one instance reached 900. The drawing is by lot and selection. If a stamp capitalist draws a place near the first of the list—before the best allotments have been picked—it may be worth several hundred dollars to him from another man who has the cash or can procure the credit to carry through the speculation. Again, small proprietors often refuse to live on their land, but lease it to Portuguese, Chinese, or other tenants. Under a small-proprietor policy this tenant-farming practice might grow into a problem as serious as that of tenant-farming in our Western agricultural States. Recently, too, Japanese citizens of the United States have begun to enter the drawings and, when successful, to turn over the homestead to relatives or other alien Asiatics.

“THE RIGHT KIND OF PEOPLE”

Even the game of freeze-out sometimes played by the big sugar and fruit canning interests (see testimony before the Committee on Territories, February, 1920) is not enough to account for the failure of small proprietorship. After twenty-five years of encouragement, there is not one small-farming community in the territory. Either small-farming is not profitable under present conditions, or the right kind of people do not enter it. Yet “Prince” Jonah K. Kalanianaʻole, territorial Delegate in Congress, declares:

There is no reason why we cannot settle Hawaii with 500,000 or 600,000 of the right kind of people. We can raise the products to supply ourselves what we now import, and to supply the mainland when they are out of season there. The trouble with us is, that all we think of is sugar.

The immediate plan is to get citizens

of Hawaiian blood back to the land, away from the town life and occupations that are supposed to have done much toward reducing their total number to 39,000—about a third as many as there are now Japanese in the Territory. Yet the prevailing estimate of the number of families likely to take up land is only 1,500. Prince Kalanianaʻole's words probably betrayed a wish lying latent in the hearts of earnest citizens of the islands.

If 500,000 of “the right kind of people” are to be settled as small farmers in Hawaii in the next twenty-five years, there is but one place from which they can come—the mainland. That would be Americanization indeed. Nothing better could happen to Hawaii than the settlement, under practicable conditions, of colonies of energetic, aggressive ex-service men, seriously devoted to agriculture; nor than the migration of able tenant farmers and small proprietors crowded off our Western farms by speculative as well as by natural economic increase in the price of land. But to rush into any such scheme of settlement without careful consideration whether we can establish “practicable conditions” would be more than rash.

FINDING FARM LABOR

Assuming that the almost temperate climate of the Territory would prove healthful for the mainland American, there still remains the question, Where could he turn for his labor, for hired men, to do his work? On the mainland, scarcity of labor is cutting down farm productions; on the islands, it might prevent it. Even the fact that twenty acres are deemed adequate for an island family, and the further fact that under diversified farming crops would be raised requiring less labor than sugar, do not remove all the difficulty. Almost every kind of farming in Hawaii must be done more intensively than with us at home. It requires more men—and more money per acre. Where would the men be found?

From the first the big industrial problem has been to find labor. The “Kanakas” may be a good farmer on his own land, if he sticks to it, though a little more evidence on that point would not



SUGAR PLANTATION WORKERS ON STRIKE FOR A LIVING WAGE, PARADING THE STREETS OF HONOLULU

(© Underwood & Underwood)

be out of place, but certainly he was a disappointment as an agricultural hand. The plantations found that out long ago. Then came unsatisfactory experiments in the importation of Portuguese, Spaniards, negroes, Gilbert Islanders. The Chinese proved excellent, but Territorial objection and exclusion laws checked their coming. For a long time the plantations have depended mostly on Japanese, and to some extent on Filipinos—disease bringers, and more given to disorder than the Japanese.

Should the big plantations be broken up, yet for a long time, and perhaps always, sugar raising and pineapple culture are likely to be the chief agricultural industries; diversified farming can be extended only gradually. And as long as sugar and fruit continue to be the money dependence of agriculture, just so long will the same large supply of coolie labor be indispensable. In other words, just so long must the Territory go on importing Japanese and Filipinos.

LABOR IN UNREST

The Japanese and the Filipinos now have each their strong labor union and are buzzing with agitation. Some of

this unrest no doubt is a by-product of the struggle for universal suffrage and labor reform in Japan. More of it is doubtless the result of the worldwide unrest of labor. But there it is. Within a twelvemonth the workers struck for an increase of 62 per cent. in wages. A struggle followed. Thousands of Japanese families were evicted from their plantation quarters. There was an increase in disorder and crime, and the incendiary fires occurring at the time were charged to sabotage. The planters say that the agitation is unwarranted, and that it is instigated by the Militarist Party in Japan with the ultimate purpose of seizing the islands.

The rights and wrongs of the dispute are as obscure and as evenly distributed, perhaps, as in any other dispute between capital and labor. The wage rate has not changed in ten years, though the cost of living has. The wage plan is intricate. Under it the laborer is at once a profit-sharer and something of a bondman—that is, he cannot leave his job within the year without sacrificing an important part of his pay. If he does not work twenty days (women fifteen) every month, he loses not only his

"time," but an additional portion of money (bonus) that otherwise would come to him. On the other hand, he and his family get free (and rather comfortable) quarters, with fuel and water; he has the attendance of a plantation doctor, and if seriously ill is cared for in a plantation infirmary or hospital.

A COMPLICATED CONTRACT

The situation is about the same in all the islands. The minimum day wage paid by the Planters' Association is 77 cents; the average, \$1.25. But every month the laborer gets a bonus of 75 per cent. of his wages under a sliding scale based on the New York price of sugar that month. With prices what they were until recently, he has been a great deal better off through this profit-sharing arrangement. In January, 1920, the bonus amounted to 151.5 per cent. of his monthly wages; in February it went up to 256 per cent. On the remaining 25 per cent. of his wages he gets a similar bonus at the end of the year, based on the average price of sugar for the twelvemonth. In 1919 this amounted to 87 per cent.—about the same as saying that one day out of four he was paid \$2.34 instead of \$1.25. The \$1.25-a-day man working full time receives about \$32.50 a month fixed wage. But the unions say that the living expenses of a family are \$57.05, and of a single man \$35.19 a month. In February, 1920, the \$1.25 man received as wages and bonus some \$115.85, which is not bad. But a "slump" in sugar will rapidly reduce the bonus toward an almost negligible figure.

Another fact ought to be considered in the wage dispute. In proportion as the laborer adopts American standards of living, his living expenses increase. To Americanize the Japanese laborer, he must be induced to change to American living standards. A monthly living cost of \$57 for a family, even with free rent and perhaps medical attention, indicates that that family is scarcely living by American standards, and it helps to explain, too, the presence of women and children in the fields.

Again, it is but fair to consider that, in the "banner" year of recent sugar disasters, 1913, most of the companies

pulled through without a deficit, and that most of those which suffered a deficit nevertheless, out of surplus, paid dividends. Not many of the dividends paid that year ran lower than 5 per cent.; some ran to 8, 13, and 15 per cent. In the market, too, the stock of most of the companies, when any is offered, sells above par; 50 up to more than 100 per cent. premiums are common. These figures are no justification for a mad grab at wages, but they do show that the sugar industry has been prosperous; that reasonable demands for wages nearer the American standard should be met whenever possible, as a means toward Americanizing our alien labor, scarcely permits of argument.

A POSSIBLE NO-THOROUGHFARE

Relief by bringing in labor from the mainland does not seem possible. A large part of the plantation and mill employment calls for coolie labor. The nearest thing to it that we have on the mainland is the seasonal Japanese labor on the Pacific Coast; then the negro field labor in the South and the hobo farm labor of the West. Trials of negro labor on the islands were disappointing, and the Japanese hand is a more satisfactory man than the I. W. W. farm laborer. Imported American farmhands would not remain laborers; they aspire to proprietorship on their own account.

Desirable as American labor would be, there is no visible supply of it for Hawaii. If there were, it is doubtful that the American hand would accept the conditions imposed by the nature of the climate, of the industry, and of the general environment; and if he could be made content, the question of wages would still remain. The planters assert that to pay wages of mainland standard would be prohibitive—which may be near the truth, notwithstanding that Cuban sugar (53 per cent. or more of our consumption, and entering under a preferential tariff) pays \$20 a ton duty, whereas Hawaiian sugar enters free. For a long time, apparently, Hawaii must depend upon Oriental labor. At present it looks as if not only the number of Japanese laborers (not to mention

the 40,000 or 50,000 Japanese engaged in the trades, business, and the professions) would be increased, but also the number of the Filipinos. Indeed, a proposal has been in the air for the importation of 40,000 Chinese.

Unless a way be found to deal with

these intertangled problems of race, land and wealth, industry, labor, and social and political assimilation, Uncle Sam may wake up one of these fine mornings to discover that somebody has carried off his key to the Pacific which he so carelessly left outside the door.

Chile's First Middle-Class President

By ERNESTO MONTENEGRO

[AMERICAN REPRESENTATIVE OF EL MERCURIO, SANTIAGO, CHILE]

A CONVENTION made up of the Radical, Democratic and a portion of the Liberal Parties, meeting at Santiago on April 25, 1920, nominated, on the second ballot, Mr. Arturo Alessandri as candidate of the Liberal Alliance for the Presidency of Chile, and on June 25 the popular vote gave him 177 electors, against the 174 obtained by the other contestant, Mr. Luis Barros-Borgoño, candidate of the coalition group.

According to constitutional provision, both branches of Congress in joint session should pass a month later on the correctness of the previous electoral procedures, but here the popular influence which had swept the country made itself felt again when public opinion caused a new way of ascertaining the legality of the election to be adopted. Congress held up its decision for more than a month, waiting for a tribunal ad hoc, the Court of Honor, composed of representatives of the contending parties and a member of the Supreme Court of Justice, to review the findings of the Electoral College and hand down its judgment in the matter.

The very life of the country was held in suspense; a great deal of bitterness and animosity was displayed on both sides, and the Government, facing the threat of a general strike and the prospect of a Peruvian incursion on the north, made an earnest appeal to the patriotism of the masses. With the certainty that the majority of the Senate was disposed to reverse the decision of the Electoral College, popular sentiment

grew stronger, until it forced the coalition candidate, his followers, and Congress itself to promise to abide by the decision of the Court of Honor, as Alessandri and his supporters had already consented to do.

With the assurance of a Senate whose majority was openly for their candidate, the coalition parties resisted as long as they could the putting into effect of the expedient of a Court of Honor, of which our former Ambassador to Washington, Mr. Suarez-Mujica, was the sponsor, while the ardent followers of Alessandri were set on the legitimacy of the election, and were in deadly earnest to have their triumph acknowledged by their opponents.

ALESSANDRI'S STRENGTH

Alessandri, always an able politician, prompt in thought and action, had forced his opponent's hand by stepping forward and accepting the proposition of the Court of Honor, giving at the same time assurance that the Liberal Alliance back of him would respect the decision, whatever it might be. Compelled by the political strategy of his rival, and by the clamor of the people, Barros at last consented to the plan.

Even in the Court of Honor the highly charged political atmosphere made itself felt. Two of the seven members of the tribunal resigned after a period of laborious study of the election, and for a while it seemed that there would be no other way than to let Congress have its will and take the consequences.

A vivid example of the struggle be-

tween the old order and the new, between the long-tolerated practice of having a group of politicians camouflage the will of the people and the determination of the majority to assert its own will, was shown when public opinion compelled the coalition parties to reinstate the two representatives who had resigned. On Oct. 4 the Court of Honor handed in its decision, crediting Alessandri with a majority of one electoral vote, and therefore recommending him "as the candidate who had the better right to the Presidency." Two days afterward Congress, with commendable sportsmanship, bowed to the dictate of the Court of Honor, and proclaimed Alessandri the duly elected President of Chile for the five-year term beginning Dec. 26.

A MIDDLE-CLASS TRIUMPH

Many signs appeared as the forerunners of the great wave of popular sentiment that swept the Chilean nation from end to end in the first month of the current year. Thirty years ago the popular parties had been allowed to make themselves heard in Congress, and some of their leaders had begun to attain posts of honor and responsibility as Senators, Representatives in the House, or members of the Cabinet. But, socially and economically, the conditions of a much earlier period still prevailed in Chile until a generation ago.

Then a middle class, ambitious and mentally alert, began to grow out of the combined industrial and intellectual progress of the country. The addition of manufacturing activities to the old occupations of agriculture and mining created a closer intercourse between the common laborers and the skilled workmen, while from the increasing groups of bureaucrats, small farmers and merchants, a generation of alert, critical youth made its entrance as the missing link between the aristocracy of the land and the destitute mass of land laborers.

In the last twenty years this new element has replaced the more intellectual group of the oligarchy in most of its activities, keeping the universities humming with a swarm of medical, engineering and law students, and gaining for

others the higher places in modern literature, sculpture, painting and music.

Having found its profit and derived its pride from the introduction of fine cattle and the secrets of wine making, the landed aristocracy has tried to direct its offspring to the study of science and the applied arts, and to counteract the tendency toward wild speculation in the stock markets, which our youth are prone to indulge in, availing themselves of the opportunity furnished by our extensive investments in mines at home and abroad. By playing the stock game many a young fellow of less prominent extraction has made a place for himself among the new millionaires of Chilean society. This movement might have caused in due time a transformation in our higher classes were it not for the circumstance that the so-called oligarchy has absorbed the new element, and, through marriage, social and business connections, has assimilated it and rendered it innocuous.

Oddly enough, the spread of democratic ideas has been more efficaciously served by some of the very descendants of the colonial names than by the parvenus. The young generation of the old families, together with the cleverer element of the middle class in universities and literary circles, has lately furnished some of the boldest propagandists for popular government and economic reforms. The two elements, acting jointly, have founded a popular university, where the college students themselves lecture in rotation on political economy, philosophy, hygienics, physiology, art, literature and history. These regular courses have sprung from the students' former practice of teaching gratis in the night schools, where they incidentally established their first close connection with the working people.

EXAMPLE OF UNITED STATES

Our political and literary ideas are akin to the French; our workingmen have picked up their smattering of sociological theories from the international libraries, edited in Spain under the guidance of Blasco Ibañez, but the main impulse that has carried the last social re-

forms into practice is entirely due to the stimulus of Chileans who have been in the United States, or who are, by means of book and press, close observers of things American. This influence has already made considerable headway among our teachers and in business circles. It is now beginning to extend its benefits to the organization of labor. It is evidenced in the growing appreciation of personal merit and effort regardless of family connections, and in a more prominent way yet carries its principles to the economic ground of national politics.

In this connection two points may help to make our terms, radical and democratic, understandable in the light of American politics. In the first place, it is not probable that Alessandri, by the mere fact of being the delegate of the two reform parties of Chile, will succeed in, or even be willing to carry out, a program of sharp changes in our political or economic life; the fact that those parties are made up of the two necessary elements, the more advanced and the moderate, which we find in every group of men, is assurance enough of his devotion to perfectly rational reforms. Besides, the term radical, belonging to one of the leading parties of Chile, has there, as in all the Latin countries, a meaning connected with our old struggle to disengage the State from its subservience to an official church. As to the term democratic, applied to the other party lined up with Alessandri, it means simply the party of the artisan and the workingman, and its rules are not even as ambitious as those of the American Federation of Labor. Its program is one striving for the improvement of the conditions of the salaried classes through political action in Congress and through social co-operation and mutual protection. The Democratic Party of Chile has virtually maintained its neutrality in religious matters, and on several occasions has cast its lot with the Conservative, or Clerical, Party, to which it had been attracted by the necessity of self-defense and by the lure of philanthropic ideas put into the program of the rich man's party.

While the Radical Party has had a

very stormy life, as was bound to be the case with a party whose pivotal principle is directed against clerical influence in public life, and in social matters of such transcendence as the family status and public education, the Democratic Party has lately enjoyed the advantage of being converted into the pet of the majority, which it helped to get in power; it has been accorded honors such as the Presidency of the House and a number of Cabinet seats entirely out of proportion to its Parliamentary strength.

SHADOW OF THE GREAT WAR

The World War, of course, extended its evil influence over Chile's economic life, creating at first the artificial prosperity of so many millions of tons of nitrate being converted into ammunition, and determining, on the other hand, a forcible economy in the consumption of foreign goods, making more deeply felt later the crisis caused by the lack of capital and unemployment.

The administration of President Sanfuentes, which is just going out of power, illustrates the weaknesses of the political system of Chile. Characteristically, Sanfuentes enjoyed more of the benefits and prestige of power during the administration of his predecessor, while he was simply leader of the Government parties, than he has during his whole term in office. He always was a shrewd politician, an expert in the kind of subtle manoeuvring that can defeat the opposition by playing up the passions that divide men; patient, calculating, he was a dissociating force; hardly could the constructive work of a statesman be expected of him.

A different man in every way, the President-elect of Chile comes into power on the crest of a wave of popular sentiment. To give this popularity its real value, the apathetic temperament of our people must be emphasized. In truth, I may say that never until now have the common people taken a sincere and disinterested part in a national election. Very likely, venality of the suffrage heretofore was mainly due to the fact that the average man was distrustful of the purposes of the candidates and considered it legitimate to make his own profit out of the situation.

But new ideas have been developing during the last few years, and the recent election found things greatly changed. To the influence already mentioned should be added the change of the old aristocracy from a sober, intelligent, diligent, proficient élite—really a superior class, morally and intellectually—to a light-hearted, spendthrift lot, who have transplanted the refinements and luxuries of Europe into the midst of the mediocre life of an awakened middle class and of a common people of strong natural intelligence and character.

ALESSANDRI'S PERSONALITY

More than anything else, however, the personal factor was the decisive influence in the change of our political life. The personality of Alessandri himself has been instrumental, to an incomparable extent, in awakening popular interest in politics. This personality has most of the merits, as well as the weaknesses, of a born leader of men. Alessandri is fearless and resolute, generous and eloquent. As a counterpart of these virtues there is easily noticeable in him an unsteadiness of purpose, a readiness to promise, and, above all, a certain vagueness of principle beyond which it is possible to suspect a very personal goal.

But what matters the inner motive that gives impulse to the acts of a man when his own purposes are identified with the infinitely larger destinies of a whole people? Alessandri is in a certain way a providential man, if the assertion can be made in these times of a purely scientific conception of history. When, four years ago, the City of Iquique in the nitrate littoral, aroused by the denunciations of a talented newspaper man, decided to rise and wipe out its local Tammany, a man was wanted from the political ranks to lead the movement. Alessandri was chosen as the only leader who appeared to possess the qualities of fearlessness and winning personality in a high degree and in the right proportions. From that time forth he was predestined to hold the leadership on the day when the whole country wished to extend to the entire map of national politics the reform movement so happily inaugurated in Iquique.

Whatever the party in power, the Presidency of Chile had been always associated with men who derived their prestige from one of the fathers of the republic. Perhaps, with the single exception of Manuel Montt, seventy years ago, no candidate had ever succeeded who did



ARTURO ALESSANDRI
New President of Chile, winner in a close election

not bear a historic name. Here was at last in Alessandri a man to whom the great mass of the indifferents, the skeptical, and perhaps also the opportunists, could adhere, enabling the worm to turn at last, and giving the country, by the will of the people, a taste of the medicine of reform, political and social.

The enthusiasm and devotion of the people toward the candidate had risen to a high degree of intensity before the election. The women, lacking the franchise, had never been particularly curious in things political, but now they went into the campaign with a fervor amounting almost to mystic transport. Working men were seen to step up to the candidate touring the country, and to embrace him with tears in their eyes, when all the intercourse between the common people and our former Presi-

dents had been limited to the traditional offering of a toast in the course of the army parade during the national holidays. For men, women and children the candidate was "Don Arturo"; this appellation of Don in the noble Spanish manner has a deep meaning of affection



LUIS BARROS-BORGONO
*Who lost the Presidency of Chile by decision
of special court*

intermingled with respect, as shown in the old colonial custom that led grown-up children to address their father by that term.

Only the future can tell how foresighted was the popular instinct which prompted the orphan spirit of the "roto" to pin his faith to the big heart and the virile mind of President Alessandri.

HIS CAREER AND PROGRAM

Alessandri made his bow in national politics as the youngest member of any Cabinet during the term of President Errazuriz. Since then he has been representative in Congress with occasional returns to the Cabinet, and once was at the head of a Cabinet during the admin-

istration of President Sanfuentes. There he gave sufficient proof of both his fighting spirit and his executive ability. His party discipline and some of his principles, however, have been lacking in definiteness, except that they have always been the principles of an independent politician. He enjoys considerable reputation for ability as a lawyer.

Not yet 50 years old, and credited with being one of the best "mixers" of the times, he has all the necessary qualities to exert a strong personal influence in public affairs. His position in the Presidency will be quite exceptional. Public opinion demonstrated that it is ready to back up whatever plans Alessandri is willing to bring forward. It may be said that the results of his administration depend entirely on his good faith and courage to make good his promises, provided, of course, that the necessary majority in Congress be given him at the renewal of the lower house and partial change of the upper branch of the Legislature next March. Never has a President in Chile had the support of such an overwhelming popular sentiment, and consequently never has the head of the nation been willing to assume such tremendous moral responsibility.

HIS INTERNATIONAL POLICIES

The people are clamoring for—and Alessandri has already promised to comply with—the following imposing array of reforms, every one of which, it will be readily seen, is already incorporated in the statutes of the United States: Decentralization of the administrative power of the Government, giving to the provinces the right to select their own officials and dispose of their public revenue; the stabilizing of exchange, by revising the value of the peso; dissolution of the concordat, separating church and State, and abolishing that mutually cumbersome convention; enfranchisement of women, giving the vote to the more qualified among them; imposing a proportional tax on incomes, thus reforming our primitive and unjust system of indirect taxation; extending and perfecting the protection of labor, and, in general, favoring every reform intended for the common good.

Such was Alessandri's program during his campaign. Since his election his utterances have been moderate and conciliatory. He has promised to adhere to his principles without hurting any of the legitimate interests of all classes. His former opponents, on their part, have given proof of high civic spirit by graciously accepting defeat and paying homage of respect to the new President. Altogether the outlook is bright and promising.

As to international politics, Alessandri is in favor of a close and practical Americanism, as stated immediately after election. With reference to the old Chile-Peru controversy over the Tacna-Arica Territories, he has said:

My efforts will tend to end this old question within the bases on which both countries signed the treaty of Ancon, carrying out the plebiscite established therein in accordance with the precedents that international law fixed for these

acts. Both countries have an interest in solving the question, because this is the only way for them to concentrate all their efforts toward internal progress and future international commerce.

He believes the European war has taught the statesmen and the people of every country "to think internationally." Therefore the nations of the American continents have now one more reason to unify their effort toward progress, and to draw closer those moral and cultural ties which count even more than material intercourse.

The sentiments of Alessandri toward the United States are sufficiently indicated by the fact that he had planned to spend the time previous to his inauguration in a trip which would have included the great North American Republic; unfortunately, the delays in deciding the election caused his plan to be restricted to a very extensive tour of his own country.

Settlement of the Adriatic Dispute

Italy and Jugoslavia Agree on Fiume's Independence—
D'Annunzio Reluctant to Give Up Annexation

ITALY and the Serb-Croat-Slovene State (Jugoslavia) signed at Rapallo, Italy, on Nov. 12, 1920, an agreement solving all the questions in dispute between the two peoples concerning the status of the City of Fiume and the delimitation of the Italo-Jugoslav frontier.

With this amicable settlement ended an international quarrel that had lasted since 1917. It was a controversy of historical significance in its consequences, for it came perilously near to breaking up the Entente and almost brought about a diplomatic rupture between the allied nations and the United States. One of its most extraordinary results was the transforming of Gabriele d'Annunzio, an eminent Italian poet and one of the greatest literary figures of the time, into a sixteenth century *condottiere*, whose lawless actions neither the victorious and powerful Allies all together, nor Italy herself, found it expedient to restrain.

Of all the territorial disputes that have arisen in Europe since the signing of the Versailles Treaty, none has had so many picturesque and even fantastic features as the Adriatic quarrel. Climax and anti-climax, crisis and fallacious solution marked its history from its inception.

ORIGIN OF CONTROVERSY

Its very origin is extraordinary. It was in December, 1917, that Nikolai Lenin, late an outcast agitator, unearthed from the Russian imperial archives, on his ascent to power, the text of the secret Treaty of London (signed by the Entente powers on April 26, 1915,) and published it to the world. In this treaty were defined the boundary concessions granted Italy in return for her entering the war on the side of the hard-pressed Allies.

This publication occurred six months after the new Slav State had been

created by the Declaration of Corfu. The extreme territorial advantage which it gave Italy at the new State's expense at once aroused the energetic opposition of the Yugoslavs. The Caporetto military disaster made Italy more tractable, and in the following April an agreement was signed with the Yugoslav leaders at Rome which waived all boundary questions for the time being and conceded minorities whose future assignment to Italy or Yugoslavia was reserved for later determination. This provisional agreement, however, was not pursued by the Allies, and a long and dangerous dispute between the two nations began.

FIUME THE STORM CENTRE

This dispute centred about the City of Fiume, which Italy claimed and desired to annex, on the ground that the majority of the city's population was Italian. Statistics were multiplied on both sides to show the Italian or Yugoslav predominance in the disputed area. To the Italian contention that Fiume proper was mainly Italian, the Yugoslavs retorted that the adjacent suburb of Sushak, connected with Fiume by a bridge, was predominantly Slav. No agreement could be reached. Finally, in April, 1919, President Wilson offered a compromise line which ran considerably to the west of the line drawn by the Treaty of London, leaving the islands of Veglia and Cherso and the Dalmatian Coast, with all the ports and nearly all the islands, to Yugoslavia.

Despite the great advantage of the new line drawn by the American President, who from the first had set his face against the terms of the secret treaty, the Yugoslavs objected to the proposed frontier. They held that they must have Fiume, on the ground that it was their only available port of outlet to the sea. They furthermore refused to accept Italy's offers of a substitute port. Finally, on Dec. 9, 1919, President Wilson, in Paris, modified his former line so as to give the lower half of Istria to Italy, proposing at the same time that Fiume, with its territory, be given the status of a buffer State, under the administration of the League of Nations. The President left Europe convinced that this new line

represented the maximum of concession, and that Italy must accept it.

THE PRESIDENT'S PROTEST

After the President's departure, however, the effect of Signor Nitti's arguments on the minds of Lloyd George and Clemenceau was so strong that this supposedly final agreement was modified wholly in Italy's favor. Though the new plan made Fiume an independent State under the guarantee of the League, a corridor of land connecting Fiume with Italian territory was conceded, and the course of the Wilson line was considerably modified near Senoseccia, with the avowed object of protecting Trieste. A partition of Albanian territory was also provided for between Italy, Yugoslavia and Greece. This new arrangement was communicated to the Yugoslav Government on Jan. 14, with what was virtually an ultimatum that it must be accepted, or the terms of the Treaty of London would be applied. Both the Yugoslav delegation in Paris and the Yugoslav Government protested. It was at this juncture that President Wilson sent the first of a series of communications destined to become historic.

The first intimation that President Wilson would refuse to sanction the allied Premiers' ultimatum was given by a note sent by Secretary Lansing. Did the allied Premiers intend to make their own arrangements, and to notify the United States only of the results? he asked. To the Premiers' somewhat startled denial of such an intention, and their assertion that the new arrangement violated none of the fundamental principles of the agreement of Dec. 9, 1919, President Wilson sent a reply on Feb. 10 which exploded a bombshell in the allied camp. He repudiated in its entirety the new arrangement, which he declared represented a wide departure from the agreement of Dec. 9. He declared that the new terms proposed opened the way to Italian sovereignty over Fiume, and gave Italy a dominating power over the railway connecting Fiume with the north. In conclusion he warned the allied Premiers that if the Dec. 9 agreement were not adhered to he would feel impelled

to withdraw from all future settlements in Europe, including the execution of the Versailles Treaty.

Greatly discomposd by this possibility, the Premiers in their reply besought President Wilson not to consider further the taking of a step so serious to Europe. They asked the President, on the contrary, to propose a new solution.

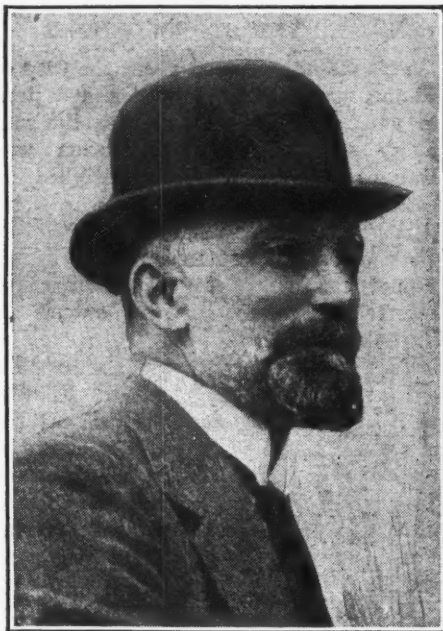
PROPOSES NEW NEGOTIATIONS

Mr. Wilson replied on Feb. 24. He proposed that Italy and Jugoslavia should reach a new and equitable agreement by mutual discussion. Such an agreement, he said, he would accept, provided it was not reached at the expense of a third nation. He was just as much opposed to benefiting Jugoslavia at the cost of Albania as to benefiting Italy. He took occasion to denounce the terms of the secret Treaty of London. The climax of this international correspondence was reached by the allied reply of Feb. 26, in which the Premiers accepted the President's proposals for new and direct negotiations between Italy and Jugoslavia; and revoked both the agreement of Dec. 9 and the ultimatum terms of Jan. 14. In a last vigorous reply the President again declared that the agreement of Dec. 9 would not be abrogated, and declared that it embodied a declaration of basic principles on which agreement had been reached by all parties concerned. He abandoned the creation of a buffer State and accepted the plan of making Fiume City into a corpus separatum under the League.

THE D'ANNUNZIO ADVENTURE

This lively exchange of notes was followed by an attempt on the part of Italy and Jugoslavia to reach a new agreement. Other attempts followed, and all ended in failure. Meanwhile the Fiume situation had been extraordinarily complicated by the arbitrary action of the Italian poet and soldier, Gabriele d'Annunzio, in occupying the port (Sept. 17, 1919) with a small army of Arditi and setting up his own Government there, in defiance of Italy and the allied Premiers and President Wilson alike. D'Annunzio declared that the issue to him and his

followers defined itself as the annexation of Fiume to Italy or death. The poet-Captain's prestige in Italy, due to his dramatic war career and to this Garibaldian adventure, was so great that the Italian Government found itself powerless to oust this twentieth century condottiere, and d'Annunzio has remained ever since the supreme dictator of Fiume, which he declared to be a regency and which he endowed with a remarkable Constitution of his own writing. The establishment of an official blockade proved a farce so far as effectiveness



COUNT SFORZA
*Italian Foreign Minister and head of Italian
delegation at Rapallo*
(Keystone View Company)

was concerned. Grimly the poet-adventurer awaited the result of the various discussions.

NEW DISCUSSIONS BEGUN

Discussions came again to the fore in the Autumn of 1920. The last negotiations, held at Pallanza in June, had been broken off by the fall of the Nitti Cabinet. The appointment of Giolitti, known as an exponent of the policy of peace at



BY AGREEMENT OF THE ITALIAN AND JUGOSLAV COMMISSIONS AT RAPALLO NOV. 10, 1920, FIUME BECOMES A FREE CITY AND ITALY OBTAINS A BOUNDARY THAT TOUCHES FIUME AND INCLUDES THE MILITARY VANTAGE POINT OF MT. NEVOSO IN THE JULIAN ALPS

any price, was of good omen for an ultimate settlement. It was not, however, until the beginning of October that the new discussions were decided on. The fixing on a place of meeting presented considerable difficulty. Finally Rapallo, Italy, was chosen because of its mild climate. At the Villa Spinola, on Nov. 7, assembled the Italian and Yugoslav delegations. The Italian representatives were Count Sforza, Foreign Minister; Signor Bonomi, Minister of War; Signor Salata, head of the Bureau of Freed Territories. The Yugoslav delegation consisted of Dr. Milenko Vesnich, the Premier; Anton Trumbitch, Foreign Minister; M. Stoyanovitch, Minister of Finance; Colonel Kalafatovitch, Military Attaché at Paris.

A long parley began, which reached a critical stage on Nov. 9. The Slav delegates were anxious to reach an agreement, but felt themselves unable to accept the plan for a free Fiume. The Italians announced that if these new negotiations failed the only recourse would be to enforce the terms of the Treaty of London. Finally, on Nov. 10, the parties in dispute reached an agreement. Discussions were continued on this and



the following days to clarify some details. All matters in dispute were at last harmonized, and a treaty was signed on Nov. 12 which brought the long controversy to an end.

TERMS OF SETTLEMENT

In the preamble to this treaty is expressed a mutual desire for harmonious relations, with Italy's assurance that the development of the new Slav State was one of her highest aims. The main lines of the agreement were as follows:

Fiume was given the status of an independent State, with territorial contiguity to Italy. A commission was provided for, to be composed of Italian and Yugoslav members, to settle all technical

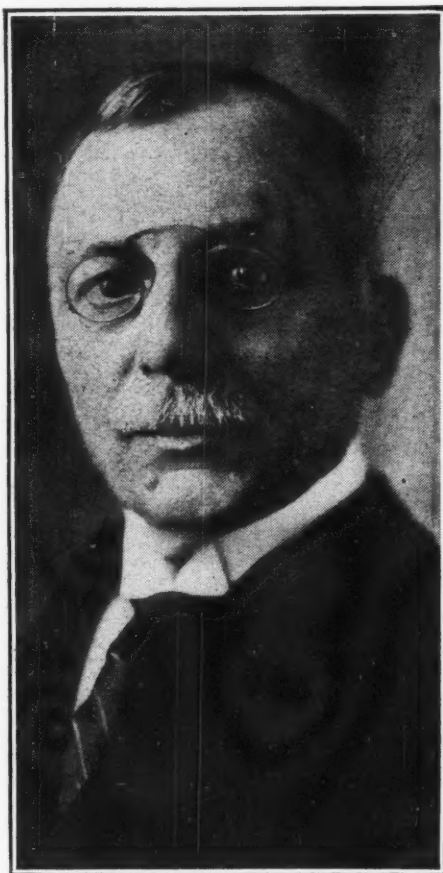
questions regarding traffic in the port with due regard to the commercial needs of Yugoslavia. Sushak, the Croat suburb of Fiume, was to remain to Yugoslavia, but was given the right to join its port to that of Fiume if it so desired. Volosca and Abbazzia, in the Gulf of Fiume, and also the Fiume-San Pietro railway were to remain within Italian territory, insuring to Italy territorial contiguity with the Fiume State. In Dalmatia only Zara was placed under Italian sovereignty, with a hinterland covering a radius of more than six miles. On the frontier Yugoslavia received part of the Longatico Basin and part of the Castua region. She also maintained her claim to most of the Adriatic islands, except Cherso, Lussin and Lagosta, which Italy was to annex. Italy planned to provide for the educational needs of the 500,000 Yugoslavs to be embraced within the new Italian frontiers by the terms of the agreement.

GENERAL RELIEF IN ITALY

Both delegations declared that the treaty was one of compromise, in which each side had made substantial sacrifices. Count Sforza stated that Italy had made a generous peace with her neighbor, and, by sacrificing her dearest aspirations in Dalmatia, hoped to find compensation in friendship and advantageous relations. Italy's Istrian frontier along the Julian Alps, he said, was now stronger and more organized than it had been at the time of the Roman Empire. The Italian Press, as a rule, lamented the cession of Dalmatia. Rome newspapers generally declared a victory had been won for Italian diplomacy. Discontent was expressed mainly by the Nationalists and the organs of the Right, which had demanded a more radical solution. The general tone however, was one of satisfaction and relief. Against the 30,000 Italians remaining under Serbian rule were balanced the 500,000 Yugoslavs sacrificed by Belgrade.

D'Annunzio announced his hostility to the Rapallo Treaty at a session of the Directors of the Fiume "Regency" held on Nov. 14. This hostility was based on seven counts, mainly centring about the lack of authority of the Rapallo Conference to dispose of Fiume without the admission of delegates from the "Regency," the declared will of both the Government and the people of Fiume to obtain annexation, and the inadmissibility of the

frontier lines drawn up at Rapallo. D'Annunzio at once proceeded to call councils of war. The islands of Arbe and Veglia were seized by his forces, and



ANTON TRUMBITCH

Foreign Minister and head of Yugoslav delegation at Rapallo
(© Harris & Ewing)

the Croat suburb of Sushak was occupied. Mount Luban, east of Fiume, and all the villages in the crescent assigned to Yugoslavia (with one exception) were also occupied.

Despite these warlike acts and declarations, the Italian Government on Nov. 16 assured the nation that the attitude of the dictator caused no anxiety. Premier Giolitti at the same time declared that d'Annunzio's activities were superfluous, as full protection to Fiume was provided for in the treaty. He further pointed

out that d'Annunzio's occupation of pure Slav territory such as Arbe, Veglia and Sushak would weaken his position, rather than strengthen it. Meanwhile the press urged the poet leader to submit to a settlement approved by the whole nation. D'Annunzio had a meeting with Admiral Millo, Commander in Chief of the forces

in Dalmatia, on a battleship on the high seas off Zara. The interview lasted two hours. Millo's firm attitude before d'Annunzio's fervent arguments made a deep impression on the Fiume dictator. It was reported on Nov. 16 that Admiral Millo had persuaded d'Annunzio to accept the Rapallo settlement.

Preliminary Russo-Polish Peace Treaty

Full Text of Agreement Signed at Riga, Which Ended War Between Poland and Soviet Russia

[See map of new boundaries in November CURRENT HISTORY]

CURRENT HISTORY presents herewith a complete English translation of the Peace Preliminaries Agreement drawn up and signed at Riga, Oct. 11, 1920, along with the text of the Armistice Agreement which formed part of the same document. As this document has led to negotiations for a permanent treaty, its terms become of historic significance, marking, as they are believed to do, the close of the last serious warfare in the border States of the former Russian Empire. The preliminary agreement reads as follows:

The Polish Republic of the one part and the Russian Socialist Federative Soviet Republic and the Ukrainian Socialist Federative Soviet Republic of the other part, actuated by the desire to put as speedy an end as possible to the sanguinary war that is being waged between them and to elaborate conditions which will serve as a basis for a durable and honorable peace by mutual agreement, have decided to initiate negotiations for an armistice and for the determination of preliminary peace conditions, and have appointed as their plenipotentiaries: John Dabbski, Norbert Earl'cki, Dr. Stanislas Grabski, Dr. Withold Kamieniecki, Dr. Ladislav Klernik, General Mieczystaw Kulinski, Adam Mieczkowski, Leon Wasilewski, Louis Waszkiewicz and Michael Wachlinski for the Government of the Polish Republic, and Adolphe Joffe, Serge Kirow, Dmitri Manuilshij and Leopold Obolenski for the Government of the Russian Socialist Federative Soviet Republic, who, after presenting their credentials, which were recognized as satisfactory and as having been drawn up in due and proper form, have agreed to the following resolutions:

ARTICLE 1. Both contracting parties, in accordance with the principle of nationality, recognize the independence of Ukraine and White Russia and agree and resolve that the

frontier between Poland on the one hand and Ukraine and White Russia on the other hand shall be a line along the River Dvina from the Lettish-Russian frontier up to the point at which the frontier of the former Government of Vilna joins the frontier of the former Government of Vitebsk; further, the frontiers of the former Governments of Vilna and Vitebsk up to the village and railway station of Orzechowo, which shall remain on the Polish side, continuing along the eastern frontier of the former Government of Vilna up to the point where it reaches the districts of Dzianyn, Lepel and Borysow; further, from this point to the village of Mata Czernica, which lies on the White Russian side, thence in a southwesterly direction across the lake on the River Beresina to the village of Zarzeczyok, which lies on the White Russian side, then toward the southwest up to the River Willa at a point east of Dolbinow; further, the River Willa up to the high road running to the south of Dolbinow; thence further, to the south up to a river—the name of which is not marked on the map—thence down the Willa to its junction with the River Rybezanka, leaving the market town of Ila on the Polish side. South from Rybezanka to the railway station of Radoszkowice, both station and market town remaining on the White Russian side; further, to the east from the market town of Rakow, the villages of Wolma and Rubreszowice to the Minsk-Baranowice Railway near the Kolosow locality, which lies on the Polish side; further, to the south half-way between Rieswicz and Czimkowice; further, to the south, cutting the Warsaw-Moscow Railway line on the west of Filipowice; further, the shortest line to the River Lan near the village of Czudzin, leaving this village on the Polish side; further, along the River Lan until it flows into the Pripet, thence seven kilometers along the Pripet to the east; thence toward the south to the River Stwiga at its most westerly point, then up the River Stwiga to the point where it crosses the frontiers of the former Governments of Minsk and Volhynia; thence the frontiers of these

Governments up to the frontier of the Districts of Rowno and Ogdruck and along the frontier of these districts until it cuts the railway line to the west of Ochotnikowo station and the market town of Rokitno; further, to the south up the River Lwa to its source, thence up to the junction of the River Korczyk with the River Slucz; further, up the Korczyk, leaving the town of Kozice on the Polish side; further, to the southwest, leaving Killkow on the Ukrainian side, to Miljatyn, which lies on the Polish side; further, to the south across the Rowno-Szepletow Railway line and the River Koryn to the River Willa, leaving the town of Ostrow on the Polish side; further, up the Willa to Nowy Staw, which lies on the Ukrainian side; thence generally in a southerly direction across the Koryn near Lanowiec, leaving this locality on the Polish side; further, to the River Zbrucz, leaving the locality of Blatozierka on the Polish side; further, along the Zbrucz until it flows into the Dniester.

In fixing the frontiers which run along rivers, the principal bed of navigable rivers is understood, and the middle line of the biggest branch of non-navigable rivers. The above frontier is described according to a Russian map on a scale of twenty-three versts to an English inch, subjoined to this agreement, the frontier being marked on it in red. In the case of any discrepancy between the text and the map, the text shall be decisive. Russia and Ukraine renounce all rights and pretensions to territory situated on the west side of this frontier, and Poland for her part renounces all rights and pretensions to territory situated on the east side of this line in favor of Russia and Ukraine.

The detailed regulation and delimitation of the above State frontiers and the setting up of boundary signs shall be the work of a special mixed frontier commission, which shall be appointed immediately after the ratification of the present agreement. Both contracting parties agree that, should any territorial dispute arise between Poland and Lithuania with regard to any territory situated on the west side of the frontier described above, the question to which of these two States the said territory shall belong shall be exclusively the affair of Poland and Lithuania.

ARTICLE 2. The two contracting parties mutually undertake each to respect absolutely the national sovereignty of the other party and to abstain from any interference whatsoever in internal affairs; with this intent, both contracting parties resolve to insert in the peace treaty guarantees that they will not form or support any organization having as its object an armed attack on the other contracting party, or the overthrow of the State or social organization of the other party, or aiming a blow at its territorial integrity, or any organization assuming the rôle of government over the other

party. From the moment of the ratification of the present agreement both contracting parties mutually undertake that neither will support any foreign warlike operations against the other party.

ARTICLE 3. Both contracting parties undertake to insert in the peace treaty stipulations providing for free option in favor of Polish, Russian, or Ukrainian nationality, with the proviso that the individual exercising the right of option shall, without any exception whatsoever, enjoy all the rights and privileges accorded in the peace treaty to a national of either party.

ARTICLE 4. Both contracting parties undertake to insert in the peace treaty articles guaranteeing, on the one hand, to persons of Polish race in Russia and Ukraine all those rights securing free development of culture, of language, and the performance of religious rites which are enjoyed by persons of Russian or Ukrainian race in Poland, and, on the other hand, guaranteeing to persons of Russian or Ukrainian race in Poland all those rights securing the free development of culture, of language, and the performance of religious rites which are enjoyed by persons of Polish race in Russia or Ukraine.

ARTICLE 5. Both contracting parties reciprocally renounce the payment of war costs, that is to say, expenses incurred by the State in carrying on the war, among which are included compensation for war losses, i. e., losses incurred during the war by the State or by nationals of the State or territory where operations were carried on, through war activities or administration.

ARTICLE 6. Both contracting parties undertake to insert in the Peace Treaty provisions relating to the exchange of prisoners of war and payment of the actual cost of their maintenance.

ARTICLE 7. When the present agreement is signed mixed commissions shall immediately be constituted for the prompt return of persons held as hostages and for the prompt exchange of civil prisoners, interned persons and, as far as possible, of prisoners of war; and organization shall be formed for the repatriation of exiles, fugitives and emigrants. The above mixed commissions shall have the right to give protection and aid to civil prisoners and prisoners of war, interned persons and hostages, and also to exiles, fugitives and emigrants, and to settle questions in connection with the immediate return of hostages and civil prisoners.

ARTICLE 8. Both parties undertake on the signing of the present agreement to suspend all judicial, administrative, disciplinary or other proceedings initiated in relation to civil prisoners, interned persons, hostages, exiles, emigrants and prisoners of war, and likewise to abstain from the execution of any sentence of punishment, no matter by what agency it may have been pronounced, against these persons. Abstention from the execution of a sentence of punishment shall not

necessarily be held to involve the liberty of the person accused, but in such case the person must be immediately handed over with all the necessary documents to the authorities of the State to which he belongs. If, however, the said person declares that he does not wish to return to his native country, or if the authorities of his native country do not consent to receive him, he may again be deprived of his liberty.

ARTICLE 9. Both contracting parties undertake to insert in the Peace Treaty provisions for an amnesty, viz., Poland for Russian and Ukrainian nationals in Poland, and Russia and Ukraine for Polish nationals in Russia and Ukraine.

ARTICLE 10. Both contracting parties undertake to insert in the Peace Treaty provisions concerning mutual settlement and liquidation of claims, and to base such settlement on the following principles:

(1.) Poland shall not be liable for any debt or obligation of Russia arising out of those parts of the Polish Republic which belonged to the former Russian Empire;

(2.) Each contracting party renounces all claim upon State properties included within the territory of the other contracting party;

(3.) In the settlement and liquidation of claims, the contribution which the territories of the Polish Republic made to the economic life of the former Russian Empire shall be taken into consideration;

(4.) Each contracting party undertakes, on the demand of the owners, to restore or make compensation in kind or in equivalent value for such movable property as is vital to the economic and cultural life of the other contracting party; also movable property belonging to public bodies, institutions, individuals or corporations, which was compulsorily taken over or voluntarily resigned since Aug. 1, 1914 (new style), with the exception of spoils of war;

(5.) It shall be stipulated that all archives, libraries, works of art, historical war trophies, monuments, and similar cultural possessions taken from Poland to Russia since the time of the dismemberment of the Polish Republic shall be restored to her;

(6.) There shall be a reciprocal settlement of claims based on private titles of individuals or corporations on both sides; claims must be preferred through the Government or public authorities of the other contracting party after the signing of the present agreement;

(7.) Russia and Ukraine shall be obliged by the terms of the Peace Treaty to restore to the utmost extent possible to Poland and her nationals—and to compensate for—property lost during the revolution and civil war in Russia and Ukraine.

Both contracting parties agree that the above points do not cover exhaustively all details regarding the settlement and liquidation of claims.

ARTICLE 11. Both contracting parties agree immediately after the signature of the

Peace Treaty to proceed to negotiate trade and navigation conventions, conventions relating to sanitary questions, communications, posts and telegraphs and the exchange of merchandise.

ARTICLE 12. Both contracting parties agree to insert in the Peace Treaty provisions by which transit facilities through the territory of Russia and Ukraine shall be granted to Poland, and through the territory of Poland to Russia and Ukraine.

ARTICLE 13. The two contracting parties shall conclude simultaneously a special armistice agreement, which shall constitute part of the present agreement and shall, equally with it, be binding upon the parties.

ARTICLE 14. Russia and Ukraine proclaim that all obligations toward Poland incurred by them and also all rights conceded to them under the present agreement apply to all territories situated east of the frontier line described in Article 1 of the present agreement, which territories constituted part of the former Russian Empire and, during the present negotiations, have been represented by Russia and Ukraine.

ARTICLE 15. Both contracting parties undertake immediately on the signature of the present agreement to proceed to negotiate for the conclusion of a treaty of peace.

ARTICLE 16. The present agreement shall be drawn up in the Polish, Russian and Ukrainian languages, in two copies. For purposes of interpretation all three texts of the agreement shall be recognized as authentic.

ARTICLE 17. The present agreement shall require ratification and shall come into force on the exchange of ratifications. The exchange of ratifications and the signature of a protocol in accordance therewith shall take place at Libau in so far as the present agreement and agreements supplementary thereto shall not contain provisions to a different effect. Both contracting parties undertake to ratify the present agreement within fifteen days at latest from the time of its signature. The exchange of ratifications and the signature of the protocol shall take place at latest within six days of the expiration of the time limit fixed for ratification. Both contracting parties stipulate that the armistice agreement (Article 13) shall lose its binding force if, for any reason whatsoever, the transaction shall not have been concluded within the time limit fixed for the exchange of ratifications and the signature of the protocol in accordance therewith; in such case, however, forty-eight hours shall elapse after the expiration of the said time limit before the renewal of hostilities. In every case where, in the present agreement, mention is made of the moment of ratification as a time limit, this shall be understood to signify the moment of the exchange of ratifications; in faith whereof the plenipotentiaries have signed the present agreement with their own hands and have affixed their seals.

Armistice Agreement Drawn Up and Signed at Riga

In accordance with Article XIII. of the Peace Preliminaries Agreement, the following Armistice Agreement has been concluded:

ARTICLE 1. On the expiration of 144 hours from the moment of the signature of the Peace Preliminaries Agreement, that is, at the twenty-fourth hour (mid-European time) of the eighteenth day of October, 1920, both contracting parties undertake to cease all hostilities on land or sea or in the air.

ARTICLE 2. The armies of both contracting parties shall remain in the positions occupied by them at the moment of the cessation of hostilities, with this condition, however, that the Russo-Ukrainian Army shall not be nearer than fifteen kilometers to the fixed line of the Polish front at the moment of the cessation of hostilities.

ARTICLE 3. The strip of territory fifteen kilometers wide thus remaining between the two fronts shall constitute a neutral zone in a military sense, under the administration of that party to whom the territory shall belong by the terms of the peace preliminaries.

ARTICLE 4. In the section from the Nieswiesz region to the River Dvina the Polish Army shall take up its position on the State frontier line fixed in Article 1 of the peace preliminaries, and the Russo-Ukrainian Army shall take up its position fifteen kilometers to the east of that line.

ARTICLE 5. All movements of armies resulting from Articles 2 and 4 shall be carried out at a speed of not less than twenty kilometers in twenty-four hours and must be commenced not later than twenty-four hours after the cessation of hostilities; that is, not later than the twenty-fourth hour of the nineteenth day of October, 1920.

ARTICLE 6. After the ratification of the peace preliminaries the armies of both contracting parties shall withdraw within their own national frontiers at a speed of not less than twenty kilometers in twenty-four hours, and shall establish themselves at a distance of not less than fifteen kilometers on either side of the national frontier; the strip of territory thirty kilometers wide remaining between the armies shall constitute a neutral zone in a military sense, under the administration of that party to which the said territory shall belong.

ARTICLE 7. In the zone which shall be neutral in accordance with Articles 3 and 6 the retention of detachments of armed forces shall be prohibited with the exception of detachments of the Polish Army necessary for the occupation of territory in accordance with Article 4. The Polish Army Command shall make known the strength and composition of these detachments to the other party.

ARTICLE 8. In cases of necessity special administrative bodies shall be established for the execution of the present agreement, by mutual consent, by the officers on both sides of rank not lower than the commanders of a division. To this end, immediately after the signature of the armistice and prelimi-

nary peace agreements, each shall send officers accompanied by the necessary staff to the divisional army commanders of the other party. Both parties shall guarantee to the officers and also to their staff and for their baggage diplomatic immunity, personal security, freedom of movement, and communication with their chiefs. In order to control the execution of the present agreement and settle any dispute that may arise, and also to decide any necessary questions, a mixed military Armistice Commission shall be created, of which the composition, official administration, competence, and executive powers shall be determined by the Commanders-in-Chief of both parties by mutual agreement.

ARTICLE 9. On the evacuation of occupied territory in accordance with Articles 4 and 6 the armies shall leave all property situated thereon absolutely intact, as, for example: State, communal, and private buildings, railways and their entire rolling stock, bridges, station offices, telegraphs, telephones, and other means of communication which are not the military property of the said army, grain stored in fields or in granaries, live stock, industrial and agricultural plant, all raw materials, &c., which constitute either the property of the State or of a public body, an individual, or a corporation. On leaving, the army shall not take hostages or evacuate the civil population; it shall not have recourse to reprisals on the inhabitants, nor appropriate nor requisition their property, nor compel them to redeem it.

ARTICLE 10. For the duration of the armistice all operations on land, by water, or in the air between the combatants shall be suspended; exceptions in special cases shall be determined by the mixed military Armistice Commission created under the provisions of Article 8.

ARTICLE 11. Army detachments and individual persons contravening any stipulations of the present agreement shall be treated as prisoners of war.

ARTICLE 12. The present armistice shall be concluded for a period of twenty-one days; but either party may terminate it by giving forty-eight hours' notice; if during the twenty-one days neither party shall have given notice to terminate the armistice it shall be extended automatically until the definite ratification of the Peace Treaty, and either party shall have the right to terminate it by giving twenty-four hours' notice, apart from the above provision and in accordance with Article 17 of the Peace Preliminaries Agreement.

The present armistice shall cease to be binding upon the parties if, within the time limit fixed for the exchange of ratifications and the signature of the protocol in accordance therewith, the transaction shall for any reason whatsoever not have been concluded. Forty-eight hours must, however, elapse after the expiration of the time limit for the exchange of ratifications before the renewal of hostilities.

ARTICLE 13. The present agreement shall constitute a part of the peace preliminaries and shall have the same binding force, in faith whereof the plenipotentiaries have affixed their signatures with their own hands to the present agreement.

Affairs in the British Empire

Disorders in Ireland Continued—Passage of Home Rule Bill— Unemployment in England

[PERIOD ENDED NOV. 15, 1920]

IRELAND

CONDITIONS in Ireland remained unchanged, except that a spirit of revenge became more marked in the reprisals of British soldiers. The British Government denied having given these acts of revenge any official sanction, but it also argued that emphasis should be laid on the outrages which produced reprisals rather than on the reprisals which followed the outrages. Generally speaking, this was the view taken by the mass of its supporters both in and out of Parliament, and led to an overwhelming vote of confidence, 346 to 79, in the House of Commons on Oct. 20.

A remarkable revolutionary document of a military nature, showing the revolutionists to be under capable leadership, was disclosed at the district court-martial of James Cullen at Cork on Oct. 11. The prisoner was charged with being in possession of the official organ of the Irish Volunteers, which contained the following:

Arrival of English Cavalry—in view of the arrival of English cavalry regiments in Ireland, the company captains of the Irish Republican Army, in areas where these cavalry units are quartered, will immediately take steps to give their companies a thorough training in fighting against mounted troops. The following suggestions for their guidance will be found instructive:

1. The engagements in '98 at Old Kilkullen, Saintfield, Tubberneering and Ballyellis should be carefully studied and explained to the men. They were all victories of badly trained and badly armed men, but determined and well-handled infantry, over cavalry.

2. The men will be taught to select ground unsuitable for cavalry, to improve that ground by spikes or other handy obstacles, and to act in formation, so offering no suitable mark for cavalry attack.

3. Attention will be directed to the possibility of ambushing mounted columns on the march, especially at night, and the helplessness of horsemen in such circumstances.

4. Care must be taken to impart instruction for dealing with single horsemen or small mounted bodies. In this respect the men must be trained individually.

5. The individual infantryman must be instructed in the use of all weapons against cavalry. Especially is it necessary to understand how to disable or disorganize the horses.

6. Action against the led horses, when all or some of the cavalry dismount, is also to be studied.

7. English cavalry are not instructed in how to use their firearms with effect when mounted. They are thus vulnerable unless able to deliver a charge.

On Oct. 20 the Catholic Archbishops and Bishops met under the presidency of Cardinal Logue and issued a pronouncement. They accused the Government of responsibility for disorder in Ireland and for stimulating opposition from Ulster to a fair settlement. They enlarged upon the excesses of the armed forces of the Crown, which had been condoned by responsible Ministers, and demanded an impartial inquiry.

For the other side, Mr. Winston Spencer Churchill, Secretary of State for War, said in a speech at Dundee that Ireland, like Russia, was deliberately tearing herself to pieces, and obstinately destroying her own prosperity; that there were resources in the United Kingdom capable of rescuing her, and that they were "going to break up absolutely and utterly this murder gang"; that it would be broken up absolutely and utterly, he said, was as sure as that the sun would rise.

To this Mr. Lloyd George added in the House of Commons on Nov. 8 that too much stress had been laid on sensational incidents like the shooting of policemen and not enough on the gradual diminution of lesser crimes. He believed the revolutionary forces were being steadily depleted and there was a great falling away of the more faint-hearted. This left the Government face to face with the more desperate criminals, which

should not produce disheartenment if they tried to bring to pass more desperate crimes. As the net was drawn tighter, no doubt the leaders would seek safety in flight. As it was, he believed Michael Collins, "Adjutant General of Ireland and Finance Minister of the Dail Eirann," was on the run and had got away already.

The Government's Irish Home Rule bill was advanced to near its final stage in the House of Commons on Nov. 8, with the addition of two new clauses. These clauses, which provided for second chambers and the dissolution of the Parliaments should they not be properly constituted, were carried by ample majorities in a small House displaying little interest, after Mr. Asquith and others had severely criticised them as reducing Ireland to the condition of a backward Crown colony. On the third reading of the bill, Nov. 11, it passed by 183 to 52 votes. At that session Mr. Lloyd George made a plea for reconciliation. In response to Mr. Asquith's expressed hope of this, the Premier said that frank reconciliation would be welcomed by the people of Britain; it would be a pleasure to extend the hand of good-fellowship to Ireland in the hope that the two countries should proceed side by side to solve the great problems of humanity. In alluding to the fact that the bill was passed on Armistice Day, he feelingly remarked that it might have been an Irish soldier who had just been honored with burial in Westminster Abbey. But he warned that there could be no separation between Great Britain and Ireland, and no such dominion status as Mr. Asquith had proposed.

Terence MacSwiney, Lord Mayor of Cork, said to have been the brains of the Irish "Republican Army," died in Brixton Prison on Oct. 25 after a hunger strike of seventy-four days. His end was preceded by that of Joseph Murphy in Cork Jail, thus making Mayor MacSwiney the third to succumb to the voluntary ordeal. The immediate result was a division of opinion in the London press, and widespread demonstrations of sympathy by those who regarded his action in the light of patriotic martyrdom.

From the public point of view nothing impressive was omitted in marking the very large measure of respect displayed for the late Lord Mayor in the solemn requiem mass celebrated at St. George's Cathedral, Southwark; in the hushed thousands that attended his final obsequies at Cork; and the numerous religious ceremonies and meetings of sympathy which took place in the United States and elsewhere. Of the latter, perhaps the most notable was that of 40,000 persons that overcrowded the New York Polo Grounds on Oct. 31, and was addressed by several speakers of prominence, holding various religious and political opinions.

On Nov. 12, at the written suggestion of Arthur Griffith, the Sinn Fein leader, the hunger strike of the remaining prisoners in Cork Jail was declared off, after a fast of 94 days. The recovery of the five emaciated men thus reprieved was considered doubtful, but under careful diet they began to gain strength.

Attention was again drawn to the crisis approaching on the Irish railroads. Each day witnessed additional train service suspensions, and an increase in the number of men thrown out of employment through objection to carrying munitions.

Optimistic statements by the Government as to the success of its policy in Ireland, and the steady decline in political crime, showed that during the last half of September and the month of October the weekly figures for seizure of mails fell from 47 to 25, and raids for arms from 76 to 6. But these returns were countered in a message of Nov. 10, which said that crime in Ireland had increased largely after the funeral of Mayor MacSwiney, and that 99 serious crimes were reported for the week ended Nov. 6, as compared with 69 the previous week and 80 for the week ended Oct. 30.

Ambushes, raids, reprisals and street fighting, reported from many places, continued a melancholy story. While the large cities of Dublin, Belfast and Londonderry were again the scenes of unloosed passion, smaller places, such as Templemore, Dungannon and Granard, experienced the ruthless hand of police

or "Black and Tan" vengeance. In the latter place thirteen buildings were systematically burned under the direction of a uniformed officer, while machine-gun fire was opened to terrify the inhabitants. Reports of the mobilization and massing of Republican volunteers in the mountains north and east of Bantry came to hand on Nov. 9, but official information merely stated that a dozen arrests had been made and a large quantity of bombs, arms and bayonets captured. On Nov. 10 the British Embassy in Washington called the attention of the State Department to the receipt via London of a threat to visit reprisals upon Englishmen in the United States if there were any more reprisals in Ireland after Nov. 14.

ENGLAND

The Prince of Wales returned to England on Oct. 11, after a world tour of 46,000 miles. This trip embraced mainly visits to some of the West Indian and Pacific Islands and the Australian and New Zealand Colonies. It occupied 210 days, of which 87 were spent at sea, and included a variety of adventures. The Prince's arrival in London on the 12th was made the occasion of a hearty public welcome, in which hundreds of thousands of citizens took part as he drove by a purposely extended route from Victoria Station to Buckingham Palace.

Reports of the unemployment situation showed that it was growing desperate. Ex-service men to the number 200,000, at least 30,000 seamen, together with thousands in the engineering, textile and other trades, swelled an increasing army of those unable to obtain work. This post-war army of the unemployed, it was pointed out, was a different body from that of the broken and dispirited men who before the war were classed as the unemployed, and whom the Government and employers could afford, in certain respects, to ignore. The post-war unemployed army was made up of trained men conscious of having rendered great service to the State. They felt entitled to a share in the national welfare and the common activities of the people.

They had been told by the Prime Minister and others that after the war they would be living in a new world and, such promises having had a great effect upon their minds, they were in no mood to be trifled with. Certain productive schemes fostered by the Government had so far failed to meet the difficulty. The labor exchanges reported that between Aug. 27 and Oct. 8 their roster of unemployed men and women had increased from 283,058 to 338,242. Since the coal strike the situation had become much worse.

These conditions precipitated a serious riot in London on Oct. 18, when some thousands of the unemployed, headed by the Mayors of fifteen local boroughs, marched to interview the Prime Minister. Originally the intention was to restrict the parade to ex-soldiers, but one of the noticeable features was that nearly every group was led by a red flag and most of the marchers wore red rosettes. A conspicuous banner bore the motto: "We are workers, not strikers. Try us!" Rioting began when the crowd tried to follow the Mayors as they turned from Whitehall into Downing Street, where a cordon of police barred further progress. From banter, waving of red flags and singing "The Internationale" the mob took to throwing stones. Presently a policeman was unhorsed. Thereupon the police charged and routed the rioters. Meantime, as the rioting went on nearby, Mr. Lloyd George informed the Mayoral deputation that the Government had appointed a strong Cabinet committee to consider the entire question, and had formulated a definite plan for unemployed ex-service men which would be communicated to Parliament forthwith.

Miss Sylvia Pankhurst, who had been arrested on the charge of attempting to cause sedition in the navy by publishing "The Workers' Dreadnought," was sentenced on Oct. 28 to six months' imprisonment. The Magistrate remarked that the sentence was most lenient and, if a man, she would have been sent to hard labor. As further evidence against Miss Pankhurst's activities the Government declared itself in possession of letters written by her to Nikolai Lenin, the

Russian Bolshevik dictator. In one of these letters she wrote: "The situation is most acute; not ready for revolution yet."

An instance occurred on Nov. 5, of the legal survival of curious ancient statutes in England when an act of Edward III., passed in 1328, was invoked at the Essex Assizes against a farmer. After a disturbance at the village of Corringham the farmer fetched a gun from his house and fired into the air. He was, therefore, charged according to the ancient statute with "going about a public street without lawful occasion in such a manner as to be a nuisance." In discharging the prisoner the Judge conjured up a mediaeval figure when he held that the old act "was meant to apply to a person going about in full armor, swinging a naked sword, and in general acting the part of a swashbuckler to the terror of peaceful citizens."

The coal miners' strike, which had involved more than 1,000,000 workers in temporary idleness and threatened a nation-wide industrial calamity, was practically brought to an end on Nov. 3. After a decision had been reached by the Government to reopen negotiations with the object of halting sympathetic strikes on the part of the railway and transport men, it was announced that the miners' strike had been provisionally settled by an agreement to advance wages as demanded. The permanency of the increase, however, was to be contingent upon a sustained volume of production. Upon submission of this agreement to a ballot it was lost by a majority of 8,450 out of 700,000 votes cast. But as, under the rule of the federation, a two-thirds majority would have been necessary for a continuance of the strike, the Executive Committee promptly issued notices urging the men to return to work with the least possible delay.

At the annual Lord Mayor's banquet in London on Nov. 9, Premier Lloyd George made an optimistic speech in which he predicted that "things were coming right." With regard to Germany, he said, reports on the disarmament question were very satisfactory, though there were still too many rifles

not in possession of the Government, but in the hands of the population, to assure the peace of the world. As to the problem of reparations, he said, the Allies were seeking the best financial advice upon the subject, and the Germans were doing the same. If the people of all the allied countries would listen to the counsel of those whose sole purpose is to restore the devastated regions and not to repair devastated reputations, he had no doubt that peace would be found along the paths of good understanding.

Mr. Lloyd George then came to Bolshevism, which he asserted was a passing phase that could not survive. It was such an impossible creed, it was such a ludicrous creed, it was such a crazy creed it could not survive. "But," he added, "I tell you what may survive—anarchy." Passing to the industrial situation, the Premier admitted there were disquieting signs, but there was no desire to exploit the tremendous industrial quarrel in order to make an attack on the institutions of the country. He made it plain that he had held the balance between the extremists on both sides, those who wanted direct action and those who wanted to smash trade unionism.

Finally, regarding Ireland, Mr. Lloyd George said: "Unless I am mistaken by the steps we have taken we have murdered by the throat. These men who indulge in these murders say it is war. If it is war they, at any rate, cannot complain if we apply some of the rules of war." He went on to declare that until the terrorist conspiracy was broken, no man dared to talk conciliation in Ireland, and there was no hope of a real peace on fair terms—"fair to Ireland, yes, but also fair to Britain."

On Armistice Day, Nov. 11, with a depth of popular feeling and a majesty of ceremonial probably never before witnessed in London, the body of an unknown soldier—a symbol of the many who had died in the war—was borne through the streets of the capital of the British Empire and laid to its final rest in Westminster Abbey.

SCOTLAND

After a publicity campaign of a kind never before experienced in Scotland, a

summary of the liquor polls showed that 149 districts had decided to make no change, twenty-four favored a reduction of licenses, and eighteen went dry. This was considered a victory by the dry forces, for while the campaign was not undertaken to establish prohibition in the American sense, a blow was dealt at the evils of the public-house system, especially in the large cities, which had been the first objective. It was remarked that in America the dries were never able to secure so large a proportion of votes in a big city like Glasgow until after at least twenty years of voting.

Evidences that the always radical mining districts of Lanarkshire were infected with Bolshevism and Sinn Fein propaganda came to light with the discovery of civilians at military drill early in the morning of Oct. 28, at Bothwell, eight miles southeast of Glasgow. Shots were exchanged between the police and the conspirators. On Nov. 7 several hundred rounds of ammunition and a number of rifles were stolen from the Orange Hall in the Cowcaddens district of Glasgow. A notice was found which read: "Commandeered for the Irish Republican Army."

CANADA

A sensational climax to the rum-running and bootlegging that has persisted on the Ontario-Michigan border since prohibition became law was the shooting of Beverly Trumble, proprietor of the Chappell House, Sandwich, Ontario, by the Rev. J. O. L. Spracklin. The latter is a Methodist minister and a special license Inspector, having been appointed to that office by the Ontario Government following his stinging criticisms of the manner in which the provincial prohibition law was being enforced in his district. He is a former university football player and a boxer of ability. Leading a squad of license officers popularly known as "Spracklin's squad," he made a raid on the Chappell House at 3:30 in the morning of Nov. 6. Trumble flourished a revolver, and finally pressed it against Spracklin's body. The latter thereupon fired his own automatic, the bullet entering Trumble's abdomen. He died al-

most instantly. A Coroner's jury decided that Spracklin had acted in self-defense. The incident has revived the country-wide controversy over the means to be taken to secure better enforcement of the various provincial prohibition and license laws in Canada. The press in the prohibition provinces generally takes the ground that the rum-runners and the bootleggers must be fought without cessation and without mercy.

On Oct. 26 British Columbia on a referendum voted in favor of a system of public liquor dispensaries under the control of the Government. The majority was over 30,000. The alternative was a continuation of the system of allowing the importation of liquor for private consumption. Some grave abuses had developed under this law.

It was thought that the British Columbia vote would have been reflected to a considerable degree in the referendums held on Oct. 25 in Nova Scotia, Manitoba, Saskatchewan and Alberta. These provinces—already having provincial prohibition—voted under Federal auspices on the question of prohibiting the importation of liquor. The question, "Shall the importation and bringing into the province of intoxicating liquors be forbidden?" was printed twice on the ballot, once with the word "yes" opposite and once with the word "no." All four provinces voted in the affirmative, and in a short time, by Federal Order in Council forbidding importation and their own provincial prohibition laws, they will be as "bone dry" as law can make them.

The Hon. Arthur Meighen, Premier of Canada, speaking at Winnipeg Oct. 26, devoted some attention to tariff matters, and made what is generally commented upon as a courageous statement in view of the widespread feeling that the various lower tariff parties, and especially the Farmers' Party, may encompass the Government's defeat. He declared that before the electors were called on to decide between the merits of the Government and its opponents they would have before them a new tariff in black and white. Canadian political leaders and parties have usually declined to go beyond pre-election promises of tariff re-

vision. At the present time a tariff commission, of which Sir Harry Drayton, Minister of Finance, is the head, is touring the country taking evidence with a view to the contemplated tariff changes. The trade figures showing over \$900,000,000 in importations from the United States, as against about \$500,000,000 in exports to that country for the last year, are the chief ground for the demand of protectionists for a new tariff.

Official announcement that oil lands of great richness have been discovered near Fort Norman is regarded as having only a potential value, owing to the distance and lack of transportation facilities. The place is on the edge of the Arctic Circle, between 1,000 and 1,200 miles due north of Edmonton. The only available route by which it is reachable at present involves some 2,000 miles of travel, chiefly by way of the Peace River, Lake Athabasca, Slave River, Great Slave Lake and the Mackenzie River. This is impracticable during the Winter months.

The Board of Commerce, an organization appointed by the Government in the hope that it might help to keep profiteers in check, is defunct. It will have no successor pending the judgment of the Privy Council as to the legality of the act appointing the board and fixing its powers. The board, the personnel of which has changed several times, made an order early in October which meant practically that American sugar, then selling cheaper than the Canadian material, could not be imported. The Government suspended the order, and later made the suspension permanent. Thereupon the members of the board resigned. The price of sugar has been dropping steadily since.

AUSTRALIA

An Industrial Peace bill, which the Government has introduced before the Australian Parliament, provides for the establishment of central and district councils composed of an equal number of employers and employes to settle industrial disputes and act as a supplement to the Arbitration Court, whose work has been seriously hampered by the con-

gestion of cases. The function of these councils is advisory, and will cover the whole industrial sphere.

Premier Hughes, who, it is rumored, may soon retire from political life, in a remarkable speech in October apropos of the approaching meeting of the League of Nations, declared that his country could not submit the question of a "White Australia" to the judgment of the Assembly. He regarded the issue as the United States does the Monroe Doctrine or as Great Britain does the freedom of the seas as interpreted by Germany. He was not at all opposed to the League, for he declared: "The League represents a noble idea, and its acceptance by the greater part of the civilized world is the only hope of enduring peace."

In contradistinction to the burial of unknown dead soldiers in France and England in honor of the services of their armies in war, the State of Victoria has adopted what many may consider an even more beautiful memorial. On the approach to Ballarat along a magnificent, broad avenue fifteen miles long some 5,000 trees have been planted; each one commemorates a Ballarat boy who gave his life for the empire at the western front, in Palestine or on Gallipoli. Each tree bears the name of some soldier whose sacrifice it is designed to recall to his relatives.

NEW ZEALAND

In all New Zealand there is not a single millionaire, and there are no paupers. There are no slums in her cities, but she has some labor troubles, especially among miners, and is experiencing a shortage of coal. The Government, therefore, has determined to develop the hydroelectric resources of the country as a source of power. For this purpose it announced on Nov. 2 that it would issue a loan providing for compulsory subscription equal to one year's average income tax. This, it is calculated, will furnish the capital necessary to begin the development of her water power. The Government is also assisting private interests in prospecting for petroleum. Small quantities of oil have been ob-

tained in some localities, but not yet in paying quantities.

SOUTH AFRICA

Prince Arthur of Connaught, who was named Governor General of South Africa, left England on Oct. 21 to take up



PRINCE ARTHUR OF CONNAUGHT
*New Governor General of the Union of
South Africa*

the duties of his new post. He is a cousin of King George, and will be 38 years old in January. He served in South Africa in the Second Dragoons in 1902. A farewell dinner was given in his honor at Claridge's Hotel on the eve of his departure by Sir Reginald Blankenberg, Acting High Commissioner for South Africa. In his speech on that occasion Prince Arthur declared:

It is not for me to say whether the idea of imperial unity is to be carried out along the lines of common interests as proposed by those who advocate trade preference, or whether by common duties and responsibilities as proposed by others. This question is fraught with tremendous difficulties, but the years 1914-18 have, at all events, shown that the empire can present a solid front when its integrity and existence are threatened.

Meanwhile General Smuts had won a great victory for the empire in South Africa on Oct. 29 by carrying his resolution for a British-Dutch union in the South African party congress. Up to that time he had held the Premiership by a very uncertain tenure, lacking a majority in the Cape Parliament. Representatives of four parties were elected last year—the South African Party, composed of Boers who believe in the union and the British connection; the Unionists, whose strength lies in Natal and is English-speaking; the Nationalists, headed by General Hertzog, who want a republic, and the Labor Party. No one had a working majority. General Smuts first turned to the Nationalists for an alliance, willing to concede every point except separation from the empire. A conference was held at Bloemfontein in September; the South Africans opposed the republican movement, and their delegates left the gathering. The Nationalists later held a congress at Cape Town, and on Oct. 22 adopted a resolution proclaiming the right of South Africa to secede from the British Empire. General Smuts then turned to the Unionists, with the result that the South Africans ratified the proposed alliance with that party, which is headed by Sir Thomas Smartt. A significant clause in his proposal was a stand against "revolution or lawlessness in any shape or form." The Bolsheviki have been working in South Africa as elsewhere, and the most active and bitter leader of the Labor Party is a Russian Jew, who has changed his name. As an alternative to the waste and ruin of anarchy General Smuts proposed that the South African and Unionist Parties work together for the peaceable economic development of South Africa. The alliance gives him a fair working majority in the Cape Parliament.

There was a clash between natives and troops and police on Oct. 23 at Port Elizabeth, following the arrest of Masalababa, President of the Native Workers' Union. Fourteen persons were killed, among them two Europeans, and about thirty were wounded. The question of native black labor is becoming a grave one for South Africa.

An industrial South Africa is rapidly developing. There are now six iron smelting companies in operation, although somewhat hampered by shortage of coal. A mint is about to be constructed at Pretoria and the country has taken the first step toward discharge from London financial guardianship by creating its own Government bank of issue and discount. Great grain elevators are to be erected at Cape Town and Durban, with seventy-one up-country elevators as feeders. The Government has also appropriated the sum of £35,000 for the purpose of advertising South Africa in foreign countries, particularly Europe, the United States and South America.

General Smuts created some sensation by naming Lord Robert Cecil, the English statesman, as one of South Africa's three delegates to the assembly of the

League of Nations at Geneva. France protested against the appointment on the ground that when the British delegation at the Peace Conference asked and obtained votes for her colonies in the assembly of the League it was on the understanding that the votes of the colonies were separate from those of Great Britain.

EGYPT—The Egyptian delegates who returned to London to confer with Lord Milner's commission on the details of independence, which Great Britain was about to accord to Egypt, according to a London dispatch dated Nov. 10, had broken off their conferences and returned to Cairo, refusing to accept the terms offered. Egypt, however, remains under a British protectorate and further conferences are likely.

Dangerous Unrest in India

Progress of Mr. Gandhi's "Non-Co-operative Movement"—Unsatisfactory Report of the Esher Committee

INDIA

GREAT BRITAIN is in an anxious state of mind over India, which is to the empire what the vulnerable heel was to Achilles. On this anxiety and on this weakness the Bolshevik dictators have played, and by their anti-English propaganda they have undoubtedly done much toward stirring up the native population of India, as of other parts of the East, against the ever-widening British rule.

In a recent article in *The Asiatic Review* N. M. Samarth, an Indian lawyer and publicist of Bombay and a prominent member of the Moderate Reform Party, showed that the causes of Indian opposition were extremely complex. Chief among them was the Punjab affair, and the fact that the Indian Government had not meted out what was considered as adequate punishment for the British officials guilty of excesses in connection with this uprising. The vote of the House of Lords in favor of General Dyer, at whose orders the Punjab Indians were shot down, and the raising of a large purse

for him in England, combined with the lavish praise heaped on Sir Michael O'Dwyer, "whose iron rule in the Punjab made the iron enter into the soul of the people of that province," tended to produce a general feeling of resentment. This feeling was by no means soothed by the grievances of the Indians in South and East Africa.

All these various factors made fertile soil for the sowing of anti-British propaganda by the Indian Nationalist agitator, Mr. Gandhi, who recently succeeded in obtaining formal sanction by the Indian National Parliament of his drastic policy of non-co-operation with the Government in all political, legal and industrial fields. Regarding Mr. Gandhi's aims and personality, Mr. Samarth expressed himself as follows:

He is an idealist, pure and simple, an idealist with an unshakable faith in adamant "soul-force" as the only force opposed to physical force which can make the most powerful Government, however stern and unbending, to yield to the dictates of justice, as he conceives it. His strength lies in his transparent sincerity and honesty of purpose and

his unflinching determination to practice what he preaches at all risks and at all hazards. His weakness lies in the fallacy of his supposition that the vast mass of the people can be trusted to imbibe his doctrines of peaceful aloofness from Government without transgressing the limits of law and order. Further, it lies in the inherent impracticableness of his concrete proposals, notably the boycotting of the courts by lawyers and of foreign goods by the public generally, and the withdrawing of boys and girls from schools and colleges.

The real test of the Gandhi movement is still to come. Mr. Gandhi and his Nationalist leaders were carrying out in October what may be described as a triumphal tour of Central and Upper India. On Oct. 16 he addressed a large throng at Lucknow, and promised self-government within a year if the people feared God and followed the non-co-operative policy. A signal success was won by the agitators among the students of Aligarh College at Simla, who refused to attend lectures and took an oath to support Mr. Gandhi's movement. The students also called upon the principal to reject his foreign titles and to decline nomination to the United Provinces Legislative Council, and demanded that the trustees, who include representative Mohammedans from various parts of India, refuse the Government grant for the creation of a university. This grant, sanctioned by a Government act, had aroused great enthusiasm among the Indian Mohammedans, and it was believed that the trustees would sanction no such folly. It will be difficult, however, to gauge the future possibilities of the Gandhi movement until the elections for the Legislative Council reveal how far the policy of non-co-operation has been applied.

Meanwhile the Esher Committee, which was appointed in July, 1919, to inquire into the administration and organization of the army in India, has finally brought in its report. The importance of this document, from the British imperialistic viewpoint, can scarcely be overestimated, for even though all the recommendations have not yet been approved, the report brings out into strong relief, first, the urgent need of drastic

reforms, and second, the belief of England's military leaders that the fighting front has merely shifted from West to East, and that all future military operations in the East must be covered by the reorganized Indian Army. The report was drawn up by Lord Esher, Sir Michael O'Dwyer and other distinguished British Indian officials, including also two native representatives, who did not concur in the military principles laid down.

Apart from measures devised to grant liberal and sympathetic treatment of all ranks in the army in India, to remove such grievances as have been shown to exist, and to create new services, the report recommended changes in higher control, the general effect of which, according to the British opposition press, was to remove the ultimate authority of the Indian Army from the constitutional authorities in India, and to transfer it to the British Chief of Staff, that is, to the War Office in London. The Manchester Guardian said:

The committee proceed logically from their assumption that there will be wars, and lots of them, in the Middle East, to the inference that men must be found for the fighting, that India must provide them, and that the Chief of the General Staff in London must therefore control the Indian Army as he will control the operations. But the War Office must be the servant of the statesman, and the statesman must not tell us, at this time of day, to envisage a future of continual Eastern wars, nor, promising to India a greater share in her own government, will he provoke the charge of bad faith and selfish exploitation by demanding the use of her troops for imperial expeditions, and handing them over to the control of Whitehall.

Lord Chelmsford, the Viceroy, who had been recalled, was given a farewell banquet at Simla on Oct. 15. He expressed his strong personal confidence in India's future under the act for legislative reforms and his belief that the British officials in India would surmount all difficulties. Similar views were expressed by Sir William Meyer, the first High Commissioner for India, at a reception given him by the Overseas Club and Patriotic League in London on Oct. 21.

Readjustments in France and Italy

The New Italian Ambassador

FRANCE

THE fiftieth birthday of the French Republic, Nov. 11, found it resolutely struggling to rise from the ruins of war. The Government's anxieties and preoccupations were many. Conviction that the German Government would leave no stone unturned in its efforts to evade fulfillment of the treaty helped to keep up a continual mood of distrust. Of this state of mind Dr. von Mayer—the first German Ambassador to France since 1914—had heed when, in presenting his credentials to M. Millerand at the Elysée on Sept. 29, he said that he would do all in his power to bring about favorable relations between his country and France “on the bases created by the Treaty of Versailles.” President Millerand replied:

The entire policy of the Government of the Republic toward Germany is inspired by the thought that the loyal execution of the solemn pact which put an end to the war is the only means of resolving practically the grave difficulties which exist between the two nations, and which do not allow them yet to collaborate fully in the great works of peace.

Dr. Mayer, in the first official visit paid by him to M. Leygues, the new French Premier, renewed Germany's assurances of good faith. M. Leygues replied that all France wished was certainty that the German Government intended to fulfill the terms of the treaty integrally. Once France gained that assurance, said M. Leygues, she would do all in her power to secure the establishment of normal political and economic relations, and would furthermore strive to make the heavy obligations of Germany easier.

France also took a highly important step regarding the payment of the German reparations. It was stated semi-officially in Paris on Oct. 26 that the Government was exchanging notes with Brussels and London on the procedure to be adopted to bring about a settlement. Without payment of reparation money the crying needs of the devastated areas

in France could not be satisfied, and the whole financial and industrial future of the country could not be built on any firm foundation. The attitude of Great Britain toward the question of reparations has given France great cause for anxiety. M. Delacroix, the Premier of Belgium, it is true, declared in Brussels on Oct. 25 that France, Belgium and London were all agreed that a conference of experts composed of members of the Reparations Commission should be held in the Belgian capital to discuss the whole subject. The French and English, however, he stated, were at odds on the question of further procedure, the French advocating a conference of the allied Ministers to consider the findings of the experts, the British voting for another conference like that of Spa, in which the Germans should participate.

The rift between the British and the French was widened still more by the action taken by the British Government to waive its treaty right to seize German property under certain contingencies.

This renunciation was communicated by the British Government to Berlin on Oct. 21, and the French press bitterly complained that France had received word of it only by Oct. 25. The French held that this step meant the encouraging of Germany to secure further modifications of the Versailles Treaty, and the placing of British trade in a favored position as compared with that of the other Allies. By removing the threat of confiscation hanging over Germany's head, it took from the Entente the possibility of enforcing fulfillment of the treaty. Hence the French press fulminated, pointing out that Germany was already preparing the way for a modification of the Spa coal protocol, which is to be renewed in January, 1921.

France had given official recognition to General Wrangel's anti-Bolshevist Government in South Russia, and the collapse of his armies therefore came as a heavy blow. The peace which Moscow had concluded with Poland at Riga also

gave anxieties to the French leaders, whose determination not to recognize the Bolsheviks remained adamant. The harrowing stories told by the French prisoners repatriated from Russia toward the end of October only strengthened the French attitude toward the Lenin régime.

The policy of the French Government toward a resumption of diplomatic relations with the Vatican, it developed, had received an unexpected check. Negotiations for the renewal of official relations had been initiated by M. Millerand soon after he became Premier. It was expected that the final arrangements would be concluded by M. Hanotaux during his visit to Rome as the representative of France at the canonization of Joan of Arc. The cause of the hitch was explained—in an interesting article by an eminent Catholic authority in the *Revue des Deux Mondes* for October—as due to the opposition of the French clergy to the *Associations Cultuelles*.*

The preliminary commercial treaty between France and Czechoslovakia was signed in Paris on Nov. 4. Under its terms the two countries agreed to re-establish freedom of trade as far as would be possible. Direct shipments of Czechoslovak products to France by way of the Elbe River, as well as through passenger service, were provided for. Glass and wood, needed by France for the rebuilding of her devastated areas, were to be sent in exchange for phosphates, iron ore and such other raw materials as could be spared. This commercial treaty was said to be only the first of a series which France would negotiate with many nations.

French labor, at the recent Congress of the General Confederation held at Orléans, had resolutely turned its face away from the blandishments of Lenin. It still preserved, however, its attitude of hostility to the "capitalistic and imperialistic" aims of France and her allies. The Congress of the Radical Socialist Party which opened at Stras-

bourg on Oct. 14 was equally categorical, blaming the "capitalist" Government by speech and resolution for all the economic and other misfortunes of France, including those caused solely by the German war of aggression.

Thousands of men were out of work, and the Socialist and Radical elements were seeking toward the end of October to work up demonstrations against the Government on this score. Considerable numbers were idle in the great manufacturing city of Lyons; Limoges, a great shoe centre, reported that 8,000 workmen had been dismissed. The automobile, cloth and luxury trades showed similar conditions. The Government found the situation sufficiently serious to call for discussion of relief measures. One cause of the industrial depression was found in the extremely adverse rate of exchange. This rate on Nov. 5 fell as low as 16.63 francs for the dollar and 56.85 for sterling.

Another cause for disquietude was the relation between births and deaths. In the twelve months following the armistice and the return of the French troops only 403,502 births were registered in France, as against a mortality of 620,000 during the same period. The *Oeuvre*, a Socialist organ, which has been conducting a vigorous campaign for better conditions of hygiene and other instruction, declared on Oct. 23: "If this continues, France will be doomed." Among other causes were cited the high cost of living, the housing shortage, and the attraction of the cities, especially Paris.

The situation in France has, however, its brighter side. The national 6 per cent. subscription loan which opened on Oct. 20 proved a great success, and M. Marsal, the Minister of Finance, announced on Nov. 4 that the amounts subscribed were greater than in the case of any previous loan. The sum of 4,000,000,000 francs had been pledged by banks and private firms before the loan was even launched. M. Marsal, in a public statement, further declared that extraordinary progress had been made by French agriculture, commerce and industry. The coal product was satisfactory. The financial situation was sound, and

*The associations established at the time of the separation for the purpose of looking after the property of the Catholic Church in France.

the budget would be met by taxation. Reports received in the early part of November showed that the devastated areas were rapidly recovering; from 70 to 89 per cent. of the factories had been rebuilt and were continuing their former production.

ITALY

The Rapallo agreement between Italy and Yugoslavia, giving to Italy the Fiume-Liabach railway as far north as the junction at St. Peter, and designating Fiume as an independent State with Italian contiguity of territory between it and Istria Italiana, will have a salutary effect on Trieste, which has been, both from the commercial and industrial points of view, marking time while awaiting the settlement. For upon the extent of Italian control over Fiume will depend inversely the status of Trieste as a commercial city.

Before the war Trieste was the great trading centre of the Adriatic and the main artery through which the markets of Vienna, Budapest and Prague received the bulk of their imports. In 1913 more than 14,000 vessels and nearly 5,000,000 tons of freight used its harbor, which through the war remained and still remains stagnant, because even since the armistice its trade has been diverted to Rotterdam, Antwerp and Hamburg.

The judicial inquiry into the frauds alleged to have been perpetrated on the State by the profiteers, or *pescicani*, resulted on Oct. 27 in the arrest of several notables connected with the National Oil Trust of Genoa and the olive oil refineries of Porto Maurizio. The Roman paper, *Epoca*, first disclosed the frauds, in which it is charged that in receiving oil by-products for ammunition purposes the Government was mulcted to the extent of \$30,000,000.

The importance of the conviction of Alfredo Cocchi at Bologna on Oct. 29 for the murder of Ruth Cruger in New York, in February, 1917, and his sentence to twenty-seven years' penal servitude, reposes in the vindication of the Italian law, which, while offering to try delinquents for crimes committed abroad,

forbids their extradition for trial at the place where the crime was committed. The audience at the trial showed its feeling against the defendant to an extent which left no doubt as to Italian approval of the procedure and the sentence.

The Italian Government announced on



DR. VON MAYER
New German Ambassador to France
(© Underwood & Underwood)

Nov. 5 that Senator Professor Vittorio Rolandi Ricci would succeed Baron Camillo Avezana as Italian Ambassador at Washington, thus putting to rest the idea that the Italian press in America had succeeded in having Signor Avezana retained, or that his successor was to be the supposed pro-German, Baron Carlo Aliotti.

Signor Ricci, like Aliotti, is a friend of Premier Giolitti; indeed, he was made Senator in one of Giolitti's former administrations by royal decree, dated March 17, 1912. He was born in 1860, at Albenga, a seaport forty-four miles southwest of Genoa. As student and

teacher he has always been associated with the University of Genoa, where he took his first degree in jurisprudence at the age of 20, became lecturer on commercial law and was finally admitted to the Faculty. He specialized in commercial, maritime and mercantile law, both Italian and foreign, and as his fame spread he had at one time or another most of the large shipping firms of Southern Europe among his clients.

SPAIN

Señor Dato, the Prime Minister, obtained the King's signature to a decree dissolving the Cortes, and general elections were set for December, with a meeting of the new Cortes in January. As has often been pointed out, the Government, which holds the elections in Spain, is in an enormously strong position, and invariably is able to produce a majority. In the forthcoming elections Señor Dato claims a majority of at least 200 Deputies for the Conservatives. The parties of Señor Maura and Señor La Cierva will adopt an attitude of toleration, according to Spanish reports, and only seriously contest those seats where it is particularly necessary that the Liberals should be represented by strong men.

The sentence of sixteen years' imprisonment imposed on Don Miguel de Unamuno, the famous Greek scholar, formerly rector and still professor of Salamanca University, for having attacked King Alfonso in newspaper articles, caused resentment amid academic bodies all over Western and Southern Europe, and many remonstrances, petitions and even threats poured into the Ministry of Education and Justice. But the Judges had invoked the letter of an ancient law and merely intended that their sentence should serve as a warning that it was bad policy to leave archaic laws on the statute book. So the Don is still at his home and continues to lecture at the university without fearing the possibility of even sixteen days in jail.

The bullfighters throughout Spain formed a union and immediately took measures to demand higher wages and a

change of rules in regard to their work in the arena tending to make this work less perilous.

On Oct. 30 the New German Ambassador, Count Ernst Langwerth von Sim-



DR. G. MOTTA

*Recently elected President of Switzerland,
succeeding M. Ador*

mern, presented his letters to King Alfonso.

The labor, industrial and socialist situation continued to develop along the lines observed in Italy, but the Government and employers were more inclined to use drastic measures than in Italy. The periodic demonstrative strikes of the Syndicalists continued with added inconvenience and loss to the public and with augmenting public resentment.

SWITZERLAND

The executive of the Swiss Social Democratic Party has decided against adherence to the Third or Commercial International. A resolution adopted at a conference in Olten by 40 votes to 18 declares as follows:

The executive of the Swiss Social Demo-

cratic Party rescinds its resolution of April, 1920, concerning adherence to the Third International and suggests to the extraordinary party congress that the twenty-one conditions upon which admission to the Moscow organization is

made contingent be rejected as unacceptable.

The Swiss Government has decided to recognize the Horthy régime in Hungary and to resume diplomatic relations.

Movement for a Dutch Republic

Affairs in Belgium

HOLLAND

THE Dutch are discussing the possibility of making Holland a republic. A commission appointed to revise the Constitution, in a report submitted on Nov. 5, recommended that hereafter, unless there is a direct male descendant of a male ruler, the throne shall go to some male of the second generation of the last King. In the event of there being no direct male successor, the people shall have the opportunity to change the country's form of government. As there are no male heirs of the second generation to King Willem III., who died in 1890, Holland may become a republic unless the little Princess Juliana, his granddaughter, and only child of Queen Wilhelmina and the Prince Consort, who is now 11 years old, some day gives birth to a son by a husband whom the Dutch Parliament approves as her consort.

Holland has established a great cordon along the German frontier to prevent the influx of large numbers of Bolshevik agents. Persons wishing to cross in either direction must pass through frontier posts and over recognized highways, or run the risk of being shot. The Netherlands Government has warned the United States that Bolshevik agents are endeavoring to come to America as members of crews.

Lieutenant Count Detif Moltke, who said he accompanied the Kaiser from Spa to Amerongen, in a published article asserts that the Dutch Consul in Brussels warned the Government on the night of Nov. 10, 1918, of William's plan of flight, and that the Kaiser by telegraph asked permission of Queen Wilhelmina to enter Holland. On arriving at the

frontier, the Kaiser was informed that the Queen had put Count Bentinck's castle at his disposal.

The Kaiser's compensation from the Prussian State is likely to form the chief issue at the coming elections in Prussia. The Government had proposed to give him 1,000,000,000 marks in settlement of the Hohenzollern claims, but the Parliamentary committee adjourned consideration of the proposal. The Socialists brought out the fact that he had received nearly 100,000,000 marks since his flight to Holland. The Dutch Government estimates the Kaiser's income at the normal equivalent of \$522,600 annually, and makes him pay an income tax on that amount. This year's tax levy on the exile is expected to increase the revenue of the town of Doorn by about \$13,265, which is 25 per cent. of the entire municipal tax receipts.

The Dutch Government is relaxing some of the restrictions imposed on the Kaiser at the time of the Kapp uprising in Germany. He is permitted to go about more freely, although still confined to territorial limits set by a royal decree, including the villages of Doorn and Amerongen. He now leads the life of a Dutch country gentleman, calling on noble families in the vicinity, principally those whose heads belong to the Knights of St. John, of which order, as King of Prussia, the Kaiser was the leader.

The Amsterdam Handelsblad on Oct. 30 published what appeared to be a semi-official explanation of the Dutch Government's attitude toward the former Crown Prince Frederick William. It stated that he was at liberty to leave Holland any time he desired, but so long as he is in Holland he must remain under strict control.

BELGIUM

King Albert made a dramatic return to his capital after his tour in Brazil. Landing at Lisbon, he went by train to Tours, France, and there took an airplane which landed him and his aid, General du Jardin, at Le Bourget, outside Paris. There they took two airplanes and completed the journey to Brussels, arriving on Nov. 3. He immediately plunged into work, Premier Delacroix offering him the resignation of the Cabinet, which had been determined upon during his absence. After receiving the Presidents of the Senate and Chamber of Deputies and the party leaders on Nov. 4, he persuaded M. Delacroix to retain the Premiership and keep the Cabinet together, at least provisionally.

A Belgian Trade Union Congress on Oct. 19 passed a resolution urging the socialization of various industries. Coal miners in the Charleroi district struck on Nov. 2, the owners' association having rejected a demand for an increase of 5 francs daily in wages. The strike

spread to other regions, and by Nov. 11 there were 40,000 men out, with threats of a general strike on Nov. 15 affecting 150,000 coal miners.

Belgium recently demanded of Holland the extradition of Professor de Vreeze, formerly librarian of Ghent University, on a charge of treason for having engaged in the Flemish separatist movement under German auspices during the war. Holland refused to surrender him, on the ground that the charge was political. On Nov. 1 Belgium renewed the demand, charging the professor with theft in using for fuel at his house in Ghent some Government property, consisting of old boxes, old books and some coal which belonged to the library of the university. Holland referred the demand to a commission to decide the case.

The death of General Leman, the heroic defender of Liège, who delayed the German armies in their invasion of Belgium in August, 1914, occurred on Oct. 17, and was the occasion of general regret throughout the country.

Conservative Trend in Scandinavia**Fall of Sweden's Socialist Ministry—Status of the Aland Situation****SWEDEN**

THE resignation of the Cabinet headed by Prime Minister Hjalmar Branting, the Socialist leader, on Oct. 22, was one of the immediate results of the new elections to the Riksdag. The general election in September had deprived M. Branting's party of ten seats and the Independent Socialists of four. This put the parties of the Left into a minority in the Second Chamber and made the Social Democrats the largest party there. Thus the Government lost its majority in the Riksdag and the Liberals refused to join the Socialists in reconstructing the former Coalition Government. Hjalmar Branting, the first Socialist to become the Prime Minister of Sweden, had entered the Premiership March 10, after the fall of M. Eden's Coalition Cabinet. The

resignation of the Branting Cabinet is hailed with joy by the leading Swedish press, as the whole industrial fabric of the nation is greatly weakened from the bad effects of his labor legislation and heavy taxes.

The King encountered much difficulty in finding a man qualified to form a new Government, but a new Cabinet was announced on Oct. 29, with Baron Louis de Ger as Prime Minister, Count Wrangel as Minister of Foreign Affairs, and a staff of experts heading the various departments. Of the new Cabinet Ministers one-third took part in the Government at various times during the war; others are under the influence of one or the other dominant political faction. There is considerable anxiety as to whether the Cabinet can unite on a common working plan.

On the very day of the Branting Government's resignation it refused permission to G. S. Zinoviev, one of the Russian Soviet delegates to the Socialist conference in Halle, Germany, to pass through Sweden on his way back to Russia. Zinoviev, who is Chairman of the Executive Committee of the Third International and one of the four chiefs of Soviet Russia, had been expelled from Germany by the Berlin Government for urging the Germans to rebel, slay the bourgeoisie and help carry out the proletarian program for a world revolution. It was largely owing to Branting and his party that Sweden did not go pro-German during the war. There has never been any doubt of Branting's patriotism, and in many quarters regret was expressed that his Ministry could not remain until the settlement of the Aland question, which continues to be the leading subject of discussion in the Swedish press.

The Finlanders (Finland Swedes) are as much opposed to letting the islands go as the Finns, against whose dominant political power they fear to be racially weakened by the loss of the Aland Swedes. An interesting comparison of the Finlanders' attitude with that of the Swedes in Sweden is afforded by an interview published Oct. 8 in *Hufvudstadsbladet*, a Finlander daily newspaper published in Helsingfors, in which an Aland Island official said:

The general mood is not such as one would believe from expressions in the Aland newspapers and in the Swedish press. It is certainly true that the Alanders now wish to become Swedish. In an eventual plebiscite almost all votes will be for annexation to Sweden. This does not mean that greater discontent would arise if the islands had to belong to Finland. In going about the islands in connection with the Landsting (Senate) election I found nothing to make a change of opinion impossible. In Vardö many questioned whether it would be wise to break with Finland. In Geta also this sort of opinion prevailed.

The fishing population generally seemed out of sympathy with joining Sweden. The land-owning peasants wielded such control over their tenants and subordinates that few of them spoke for the union. Men in authority, however, emphatically alleged that the agitation for joining Sweden has been so strong that an overwhelming majority will surely vote for it.

The Finnish contention that "Finland cannot concede that the Alanders have any right to conspire against a country which for many hundred years has been their fatherland, nor that the principle of self-determination of nationalities can be applied in this particular case," was controverted by the Commission of Jurisconsults in its report to the Council of the League of Nations Sept. 16. The three jurists reasoned that, as Finland was not a constituted nation when the Alanders decided by plebiscite in 1917 that they desired union with Sweden, the Aland question is an international concern, and not a mere matter of Finnish domestic policy.

Without approving the commission's reasoning, the League Council adopted this conclusion and appointed a Commission of Inquiry to investigate the question and make a proposal for a settlement of it. This proposal was to be presented to the contending Governments as a suggestion, according to the League covenant. It remains to be seen whether the League will use its machinery to enforce the decision so reached.

This Commission of Inquiry is composed of Baron Bienes, ex-Minister of Foreign Affairs of Belgium; M. F. Calender, ex-Minister of Justice of Switzerland, and M. W. Ferrari, representative of Italy in the Council of the League of Nations. President Wilson was requested to designate the fourth member, and he selected Judge Abram I. Elkus of the New York Court of Appeals. Judge Elkus accepted and was appointed by Léon Bourgeois, President of the Council of the League of Nations, on Nov. 4. As the United States is not a member of the League, Judge Elkus does not serve as a representative of this country, but simply as a distinguished citizen of a nation that is neutral in the controversy.

The Commission of Inquiry was ordered to go to the Aland Islands, hold conferences there, in Finland and in Sweden with representatives of both Governments for the purpose of making a rapid inquiry into the political and economic aspects of the question, and to present a report to the League Council by Nov. 15.

It is the strategic position of the islands that gives them their international importance. It makes them the key to the Gulf of Bothnia, and, in the often used Napoleonic phrase, "a pistol pointed at the heart of Sweden." Though Swedish publicists have written reams upon the Alands as a necessary part of the Swedish scheme of national defense, Sweden alleges no other motive for claiming the islands than a humanitarian desire to protect the Swedes, who comprise 95 per cent. of the Aland population.

Sweden contends that the Alands are historically separate and distinct from Finland. Until 1809, when Sweden was compelled by threats to cede to Russia the eastern portion of what was then the Kingdom of Sweden, the archipelago constituted a geographical link between the parts of the kingdom on opposite sides of the Gulf of Bothnia. The Swedes point out that the principle of self-determination, on which the claims of the Alanders are founded, has served equally as the basis of the liberation of Finland from Russia. The Finns contend that allowing the Alands to join Sweden would turn the Gulf of Bothnia into a Swedish lake.

Sweden has begun to import coal from British Columbia in vessels of its own sending, the first cargo, 4,500 tons, having left Vancouver about the middle of October.

Dr. Karl Fries, Secretary of the Swedish Y. M. C. A., on Oct. 19 accepted the post of Secretary-General of the Y. M. C. A. World Union, his headquarters to be in Geneva.

NORWAY

The reactionary turn of Norwegian labor sentiment against Soviet Russia was evidenced by the fiasco of Litvinov as Lenin's commercial emissary in Norway through September and the first week in October. In negotiating for the opening of commercial relations between Soviet Russia and Norway, Litvinov demanded that a large commercial delegation be allowed to enter Norway, the members of which should enjoy all diplomatic privileges. In the second place he asked that all merchandise destined for

Russia might freely traverse Norwegian territory. The Norwegian Government refused these requests and proposed the sending of a Russian delegation of ten members, who should not possess diplomatic immunity, and who must abstain from all propaganda. As to the free passage of merchandise, the time was not ripe for that question.

Litvinov continued to organize a Bolshevik agitation in Norway against the Government, with the aim of compelling it to modify its conditions. He formed an agreement with the delegates of the fishermen of Northern Norway, by which the Soviet Government would immediately acquire 200 tons of fish actually in stock, and 800 tons to be delivered in May, 1921. The payments were not to be completed until after the conclusion of a commercial agreement between the Government of Norway and that of Soviet Russia. This clause, which placed at the disposal of the Soviet Government a means of pressure on the Norwegian Government, provoked a strong reaction in political circles. It was sharply attacked by the press of all parties, except the Socialist. On Oct. 6 Litvinov quietly took leave of Christiania and of the only country except Denmark, outside of Russia, from which he was not officially barred.

The moderate section of the Norwegian Labor Party published, Oct. 9, a manifesto appealing to Norwegian workers to reject the conditions of the Third International. Acceptance of these conditions, the manifesto declared, would be disastrous to the workers, excluding them for many years from all political influence in Norway. M. Lian, radical Labor leader and President of the Trade Union National Executive, said in a speech that association with Moscow was too dangerous, and he advised the Labor Party to have nothing more to do with the Third International.

[The award of the 1920 Nobel Prize for Literature to Knut Hamsun, the Norwegian novelist, is treated on Page 518.]

DENMARK

Slight Socialist gains in the Rigsdag elections, resulting from the addition of North Slesvig to Denmark, made no

material change in the political situation. The Neergaard Ministry has a safe majority, based on a combination of the Conservatives and the Moderate Left.

In the last week in October the Danish Government secured a loan from the National City Bank of New York of \$25,000,000, to be used as compensation for public buildings and other property taken over by Denmark in the reunited Slesvig districts. This loan is to run for twenty-five years at interest of 9 to 9.5 per cent., allowing for differences of exchange and fluctuations.

M. H. P. Steensby, Professor of Geography at the University of Copenhagen, died suddenly, Oct. 22, on his return voyage from America, where he had been conducting an investigation into the old Norse voyages to various parts of the North American coast. He published a study of this problem in his article, "The Norsemen's Route from Greenland to Vinland." He had treated his special subject, the Eskimo, in his book, "The Ethnology and Anthro-Geo-geography of the Polar Eskimo."

Germany's Reparation Problems

Allied Plan for Fixing the Total Indemnity—Formation of Gigantic Business Combinations

GERMANY

AFTER exchanges of views between the British and French Governments, the French Foreign Office definitely announced on Nov. 11 that the details of the plan had been settled for fixing the reparations to be made by Germany for her part in starting the World War.

This plan, as reported from Paris and London a few days before, provides (1) for a conference at Brussels of allied experts, chosen by the Reparation Commission, who will hear German representatives and report to the commission; (2) a meeting at Geneva of the allied Premiers with representatives of Germany; (3) a session of the Reparation Commission in Paris to consider the reports from Brussels and Geneva and to fix the total of the German obligations; (4) a conference of the chief allied Premiers to take up the execution of the terms agreed upon.

In a note sent by M. Leygues, the French Premier, to the British Ambassador on Nov. 12 it was stated that the Geneva conference would be held after the coming plébiscite in Upper Silesia, or, at the latest, early in February, so that the amount of the total reparation would be ready to be presented to Ger-

many some time before May, the date fixed in the Treaty of Peace.

In a statement issued in Paris Oct. 28 the Reparation Commission added 83,000 tons of port material, including floating docks, cranes, &c., to the 193,000 already agreed upon as compensation by Germany for the sinking of the German fleet in Scapa Flow, thus ending that incident.

Publication in the German press of a reported peremptory demand by the Reparation Commission for the delivery of 810,000 milch cows and several thousand head of other cattle to France, Belgium, Italy and Serbia, in fulfillment of Article 235 of the Peace Treaty, roused much indignant comment in Germany; later it developed, however, that the commission was merely giving an opportunity to the Allies and to Germany to effect a partial settlement, in kind, of the first installment of 20,000,000,000 gold marks due May 1, 1921, along the lines of least resistance. It was stated that the figures were subject to discussion and adjustment.

When 700 cows from the United States, the first of 2,500 to be presented to Germany by Americans and Germans, arrived in Hamburg Nov. 12, the American dairy company handling the gift

demanding assurance that they would not be included in any cattle levy by the Allies.

Insistence by the German Government that there was no justification for the allied commissioners' plan for the destruction of Diesel motors taken from submarines for use in industry, and for the prohibition of their manufacture, had the effect, according to a Paris cablegram of Nov. 9, of causing the Council of Ambassadors to decide that the making of the motors might be continued, with guarantees that they would be used only for industrial purposes and civilian aircraft.

Much rejoicing was caused in German business circles by the announcement on Oct. 26 that Great Britain had renounced her right under the Peace Treaty to confiscate German property in the United Kingdom in case Germany failed to live up to the reparation terms, and this move was hailed as the first big step toward a rapprochement between the two nations. Speaking in the Reichstag on Oct. 29, however, Foreign Minister Simons said Great Britain's action must not be exaggerated, "as it is in conformity with the economic and personal interests of Great Britain." He went on to emphasize the necessity of carrying out all the obligations of the treaty and restoring the devastated regions. On Nov. 2 a London report, made public in Ottawa by Thomas Mulvey, Under Secretary of State, said that the British decision referred only to German property brought into the country since Jan. 10, 1920, the date on which the Peace Treaty became effective. Economic restrictions on traffic between Germany and Italy were reported abolished by the Italian Government on Nov. 5.

Up to Nov. 15 no decision had been reached as to how the disarmament was to be effected of the Bavarian Home Guards (the main body of the illegal armed reactionary body called the "Orgesch"), in accord with a demand served upon both Berlin and Munich by the Allies. It was expected, however, that the negotiations under way between Dr. Peters, the National Disarmament Commissioner, and Dr. Kahr, the Ba-

varian Premier, would result in a compromise that would save the faces of the main personages concerned and at the same time avoid the occupation of the Ruhr district, said to be threatened by France if the Home Guards were not dissolved. Under the pretext of wanting to help the Regular Army put down possible Communist uprisings, the leaders of the "Orgesch" continued to maintain irregular armed forces in other parts of the country, despite orders of dissolution hurled at them by the authorities of the various provinces.

Fear of possible occupation of the Ruhr mines in the event of failure by Germany to deliver the 2,000,000 tons of coal a month required by the Spa agreement not only caused a speeding up in production, but more or less talk about the destruction of the mines in case of such occupation. The Ministry of Labor awarded the Ruhr miners a rise of 2 marks a shift for underground workers and 25 pfennigs an hour for outside men, with an extra 3 marks a day for married men and a mark a shift for each child. It was also announced that the Government had ordered clothes and shoes to the value of 83,500,000 marks to be sold to the miners at cut rates, as the beginning of a general campaign to lower the cost of living.

Not only did the Ministry of Labor emphasize the necessity of increasing the coal output in announcing its award, but also put into the Independent Socialist bill for the socialization of the mines a provision for the payment of premiums for extra production. The Independent Socialist Party organ, *Freiheit*, came out on Oct. 23 with a call to the working people of the nation to back up the Socialist Deputies in their campaign for nationalizing the mines as the first step toward bringing about the Socialist program and lightening the burden of unemployment accumulating upon the nation's shoulders. But, although the Reichstag opened its Fall session on Oct. 19, nothing had been done toward socializing the mines up to Nov. 15. It appeared that the influence of Hugo Stinnes and the other big German industrialists was greater with the Fehren-

bach Government than that of the Socialists and labor unions, despite the latter's talk of a general strike unless the mines were socialized soon. As a counter-proposal the Nationalist and big business parties suggested the conscription of labor, hoping thus to dampen the enthusiasm of the workers for socialization.

In the meantime German industry continued to be centralized through the formation of gigantic trusts, embracing the leading iron and steel mines and mills, the coal mines and electric companies and the banks. The leading spirit in these combines was Herr Stinnes. The Deutsche Bank increased its capitalization from 275,000,000 to 400,000,000 marks and took over three more smaller banking concerns. In what some Berlin correspondents called an attempt to start a backfire against the tendency toward socialization of industry, a group of big industrialists, including Stinnes, Voegler and Silverberg, presented a plan to the National Economic Council providing for the reorganization of industry by forming trusts under a minimum of State control, by the elimination of the middlemen, and the granting of a certain amount of administrative participation to labor. The council approved this scheme, but no definite action was taken toward putting it in operation. While some German companies reported huge profits and told of landing big orders from abroad, the number of unemployed workers continued to increase; the Ministry of Labor estimated that it would soon reach 3,000,000.

The loosening of control over trading in foodstuffs effected late in September did not improve the situation. Food Minister Hermes told the Main Committee of the Reichstag on Nov. 9 that grain deliveries were behind, and that severe penalties would be applied to illicit trafficking in wheat and flour. Nevertheless, through a daily importation of about 10,000 tons and the delivery of twice that amount from domestic sources, Herr Hermes hoped to have a supply of 950,000 tons of grain on hand by Dec. 31, thus insuring the needed supply of flour up to March 31. Several cities reported that they were unable to obtain their

share of potatoes for the Winter because of the greed of the agrarians.

The most serious strike of the period was that of the electricians employed by the City of Berlin, who refused to accept the decision of an arbitration committee which had awarded wage increases to the municipal employes totaling 44,000,000 marks a year, and went out on an "outlaw" strike Nov. 6, tying up the power plants and stopping the lighting and street car services. After causing the citizens much inconvenience the strikers returned to work on Nov. 10 under threats of force.

The split in the Independent Socialist Party resulting from the acceptance by the Halle convention of the twenty-one points of admission laid down by the Third Communist International continued to grow. The Independent representatives in the Prussian Landtag, the Berlin Municipal Council and several Provincial Legislatures followed the example of their confrères in the Reichstag and divided into two opposing groups, with the moderates in the majority. The extremists were labeled the "New Communists," and on Oct. 26 a Berlin report said they had decided to join the Communist Party. This was followed by a report on Nov. 10 to the effect that the Communist Party had held a convention and voted for the merger, which was to be formally accomplished at a joint convention in December. The Communists voted to avoid direct action in the sense of an immediate revolution, but decided to start a vigorous campaign for the formation of radical shop councils and the socialization of all industry. The moderate wing of the Independents appears to have succeeded in retaining the party name and most of the newspapers, including such leading organs as the Berliner Freiheit and the Leipziger Volkszeitung. The sentiment of the rank and file, numbering nearly 1,000,000 dues-paying members, seems to be about equally divided. The Majority Socialist Party has made many overtures to the moderate element, but without success so far. The expulsion from Germany of George Zinoviev and M. Losovsky, the Bolshevik delegates to the Halle conven-

tion, ordered by the Government on Oct. 17, was effected on Oct. 23, despite protests in the Reichstag by the Socialists.

The result of the elections to the Saxon Diet held Nov. 14 was a great Conservative victory, the number of Majority Socialist Deputies being reduced from 42 to 24, while the Junker Nationalists rose from 13 to 22 and the big business People's Party from 4 to 19. The Independents elected 17 against 15, but 3 of them are members of the New Communist wing. The Communists proper won 5 seats. The Democrats fell from 22 to 8, and the Clericals got 1 Deputy. Only about 60 to 70 per cent. of the electorate voted. The combined vote of the Conservatives and Democrats totaled about 130,000, against 100,000 for the Socialists.

The second anniversary of the German revolution of Nov. 9, 1918, was celebrated by the Berlin workers by resting from their labors and attending festivities, in spite of the Government's refusal to proclaim it an official holiday. The celebration was ordered by the two Socialist Parties, the Communist Party

and the trade unions. The Conservative press lamented the fall of the Kaiser and the monarchy, while the Communist organ, *Die Rote Fahne*, bewailed the failure of the revolution to end the capitalist system. The moderate press was not enthusiastic in commenting upon the anniversary.

In response to an offer of amity and a hope for the speedy resumption of friendly relations sent by fifty-seven professors and doctors of Oxford University to German and Austrian scientists, leading German professors and members of the Reichstag drew up a reply, made public on Nov. 6. They expressed readiness to resume such relations and to "relegate to oblivion everything offensive spoken or written in both camps." In this connection Dr. Hans Wehberg, a well-known peace advocate, sent a query to seventy-five of the ninety-three German intellectuals who had signed the famous manifesto of October, 1914, justifying German aggression, and obtained recantations from forty of the fifty-eight who answered. Most of them asserted they had been deceived into signing the manifesto.

Progress in Danubian Countries

Hungary Ratifies the Peace Treaty and Balks a Terrorist Revolt— New Austrian Confederacy

HUNGARY

THE Hungarian National Assembly's ratification of the Peace Treaty of Trianon on Nov. 13 marked the culmination of a dramatic crisis. The secret political society of Budapest, known as Awakening Hungary, a reactionary monarchist organization with the immediate restoration of the Hapsburgs as an article of its creed, had arranged a plan to overthrow the Government. This plan was balked in the nick of time. It would inevitably have meant a challenge to the Allies.

The society's aim was to forestall the ratification, to prevent by force the meeting of the Assembly and proclaim a new

Government. But the Government got possession of the plans, including a list of members of the proposed new Cabinet. Among the names were those of several anti-Semitic leaders. Many spies of the secret society were arrested. A bill for the proclamation of martial law was introduced into the Assembly. All public meetings were forbidden except those of members of the Assembly, and indefinite leave was given the military commandant of Budapest, as he was thought to be compromised. Some 800 arrests were made, and the Government was vigorously pursuing further investigations. Steps were taken to dissolve the Awakening Hungary Society. Plans for the coup d'état were found in the so-

ciety's possession; to its activities were traced several of the mysterious murders that had lately startled Budapest.

Meanwhile the Assembly made its ratification of the treaty a business of great solemnity. All the members wore mourning, and showed how little Hungarians had become reconciled to the allied peace terms in the long time since the signing of the treaty and its ratification. When the treaty came up the Deputies rose and sang the Hungarian national anthem as a final defiance before voting for the ratification in dead silence. The Prime Minister, Count Teleki, offered to shoulder the responsibility for the making of peace, and proposed that he be tried for his part in negotiating the treaty, but he got a unanimous vote of refusal. The Christian Nationalist members, the Slovaks, Croats, Germans, Western Hungarians and members of the Extreme Left departed from the Chamber before the vote was cast, so as to avoid what they considered their final humiliation.

In an address before his constituents at Szeged the Prime Minister, Count Paul Teleki, had previously presented a résumé of his administration, referring to questions of foreign policy, the late labor embargo, succession to the throne and the labor problem. He said in part:

We have signed the Treaty of Trianon for two reasons: First, because Hungary had lost the war, and, second, because the note accompanying the final draft of the treaty contained certain promises concerning especially frontier rectifications. That final draft was our first great disappointment. If the promises I am referring to are not fulfilled we should suffer our second disappointment.

The Premier then declared that the international labor embargo of last Summer had caused considerable damage to the country. The deficit of the year's budget amounted to 9,000,000,000 kronen, and this could be reduced only by heightening the exchange. That, again, necessitates a heavy capital levy, concerning which a bill would be submitted in the near future.

Count Teleki declared that Hungary was a monarchy and was to have a King, but that the person of the ruler could not be decided upon before a revision of the Constitution. Commenting

upon this statement, the Vienna Hungarian Gazette opined that the Premier probably had a restriction of universal suffrage in mind. It is understood that declarations emanating from certain Magyar statesmen to the effect that choice of the King's person is not yet timely mean merely that Regent Horthy still hesitates to proclaim himself King, in the hope that continuance of the interregnum would improve his chances. On the other hand, supporters of the Hapsburg claim to restoration persist in meeting the question of succession. Tension between the Horthy and Hapsburg factions increases rapidly, and has repeatedly caused scandalous scenes in the National Assembly as well as a series of political duels.

Quoting the Premier's Szeged speech to the effect that a solution of Hungary's labor problem is at hand, the Vienna Hungarian Gazette, organ of the bourgeois republican refugees, remarked sarcastically that the Premier probably had in mind the indenture of 50,000 Hungarian laborers for reconstruction purposes in Northern France, a measure branded by the paper as sheer slave trade.

One of the worst outrages of the White Terror, the assassination by officers of the wine merchant Landau, was followed by a series of astounding revelations. It appears that Landau was arrested by officers of the Hejjas and Pronay detachments of the National Army because he had outbidden Lieutenant Hejjas's father in the Kecskemet wine market. Negotiations for a ransom of 1,500,000 kronen were opened by the officers with Landau's family. Intervention by the civilian authorities to free Landau from the Kelenföld barracks proved futile. The family induced Mr. Ruppert, member of the National Assembly, to take up the case, but Ruppert's visit at the barracks merely enraged the officers and Landau was killed amid unspeakable tortures. The sum of 1,000,000 kronen, taken from his pockets in currency, is said to have been divided among the officers who perpetrated the murder and the General Staff of the National Army. Deputy Ruppert announced his intention to report the case

to the National Assembly, but when his name was called by the clerk it appeared that he had left the capital for an unknown destination, obviously fleeing the wrath of Pronay's officers.

A series of anti-Semitic outbreaks at Budapest culminated in a general massacre of Jews on Nov. 11. The casualty list was reported to amount to 400 dead and wounded. As a sequel the cables stated that fighting took place in the streets between troops sent to restore order and officers of the Pronay and Hejjas detachments, the latter being aided by the armed hoodlums organized in the Society of Awakening Hungarians. It is possible, however, that this street fighting marked the outbreak of open hostilities between the supporters of Horthy and those of ex-King Charles.

The Vienna press continues publishing revelations of the intrigues conducted by the Hungarian Government and its Viennese legation against the safety of Czechoslovakia and Austria. The *Arbeiter-Zeitung* published an affidavit signed by one Franz Schuller-Sullay, a former official of the legation, who declares that the documents printed by the Hungarian Socialist weekly *Vilagossag*, the *Arbeiter-Zeitung* and the *Pravo Lidu* of Prague, proving the existence of a monarchist and irredentist conspiracy, and the complicity of the Magyar Government, were taken by him from the archives of the legation, photographed and then returned to the original files. This disposes of the denials issued by the legation concerning authenticity of the documents.

AUSTRIA

The new Austrian National Council (Diet) was elected on Sunday, Oct. 17, on the basis of the final Constitution enacted by its predecessor. According to this basic law the Republic of German-Austria is transformed from a unitary State into a confederation consisting of the following eight States (*Länder*): Lower Austria (subdivided into Province and Vienna), Upper Austria, Styria, Carinthia (reunited to the confederation by the result of the recent plebiscite), Salzburg, Tyrol, Vorarlberg and Burgenland (this being the Aus-

trian name of the Western Hungarian counties awarded to Austria by the peace treaties). Each State has its own Legislature. The Federal Legislature consists of two Chambers: The National Council, elected by direct proportional suffrage, and the Federal Council, elected by the Landtags of each State. The Federal Council has a strongly limited veto power over measures enacted by the National Council. The two Chambers together form the Federal Assembly, which, however, meets only in two emergencies—to declare war and to elect the Federal President.

The Federal Council consists of 46 delegates, 12 being elected from Vienna, 10 by the Province of Lower Austria, 6 each by Upper Austria and Styria, and 3 each by the other States, except the Burgenland, which, for the time being, remains without representation in the Upper Chamber. The composition of the Federal Council assures to the non-Socialist States a slightly more favorable footing than that in the National Council.

The 175 seats of the National Council were distributed among the several parties as follows:

Christian Socialists.....	82
Social Democrats.....	66
Pan-Germans	20
Peasants' League.....	6
Bourgeois Party of Work.....	1

Consequently, 66 Social Democrats are opposed by 109 representatives of bourgeois and peasant parties. The Communist Party, in spite of a tremendous electioneering effort, polled only 20,000 votes and did not obtain a single seat. This is interpreted as a straight repudiation of all Bolshevistic tendencies by the Austrian people. The conservative papers point out that, while the proportional system and the division of Vienna into electoral districts assure 58 per cent. of the delegation from the capital to the Social Democrats, only 40 per cent of the Viennese delegation voted Social Democratic. It is realized, nevertheless, that the situation of the governmental party in a defeated country is a good deal harder than that of the opposition. Even the *Reichspost* voices overtures to the Social Democrats to remain within a govern-

mental coalition. Advances from the Christian Socialist side are, however, bluntly rejected by the Social Democratic leaders.

The Federal Assembly met on Nov. 10 to choose the President of the confederation. Dr. Richard Weisskirchner, Christian Socialist, for many years Mayor of Vienna, was elected. Herr Eldersch, Social Democrat, was appointed Second

President of the Assembly, and Dr. F. Dinghofer, Pan-German, was named Third President. For the first time since pre-war days high mass preceded the session. In his opening address Dr. Weisskirchner, the Federal President, expressed gratification over the presence of the Carinthian delegates, whose country was revindicated to Austria by the recent plebiscite.

Countries of Southeastern Europe

Bessarabia Given to Rumania

THE text of the treaty of the so-called Little Entente, which was published Nov. 11 at Belgrade, contains five articles, of which the following is a summary:

1. In case of an unprovoked attack by Hungary on either of the contracting States (Yugoslavia and Czechoslovakia) the other undertakes to come to its aid as provided for in the second article of the convention.

2. The competent authorities in each country shall take the necessary steps for the execution of the convention.

3. Neither of the contracting States may conclude any alliance with any third State without first informing the other.

4. The convention shall remain in force for two years. On the expiration of that period it may be denounced by either party, but will remain in force six months longer, to date from the time of such denunciation.

5. The convention shall be laid before the Council of the League of Nations.

M. Benès, who has been called the "father of the treaty," Foreign Minister of Czechoslovakia, and M. Nintchich, acting Foreign Minister of Yugoslavia, signed the treaty.

Although the Little Entente convention enjoys the diplomatic support of Rumania, that State is not yet a party to it. Ultimately it is the object of its founder to add to it, after Rumania, first Poland and then Greece and Bulgaria. With this in view the Rumanian Foreign Minister, Take Ionescu, and the Bulgarian Premier, M. Stambolisky, were in consultation with the British Government in the middle of October at London. The Warsaw Government on

Oct. 17 signified Poland's readiness to join.

Meanwhile Hungary, against whom the convention was originally devised, asked the Warsaw Government to use its good offices at Prague to have her enter the Little Entente, with the idea of adding the interests of Central Europe to those of Southwestern Europe. In the opinion of diplomats this contingency presents far greater difficulties than the entry of Bulgaria, since the Magyars have not ratified the Trianon Treaty, and seem disposed to flout its stipulations in regard to disarmament as well as the veto of the Supreme Council upon the Hapsburg restoration.

ALBANIA

Albania made a long step forward. She petitioned the Washington Government to follow the example of Italy and recognize her territorial and political integrity as an independent State; she opened negotiations with American banking concerns for a national loan to be used for public improvements, particularly those which will facilitate internal communication, link up railways with the Belgrade-Nish-Saloniki system, and improve the port conditions on the Adriatic; she sought American aid to establish a university. In urging the appeal for recognition of the Government of Triana, C. A. Chekrezi, the Albanian Commissioner at Washington, thanked the United States for having preserved the integrity of his country

both at the Peace Conference and in the subsequent controversy over the Treaty of London; he stated that the Albanians were now law-abiding, were bent on education, and showed a remarkable political solidarity. [See Mr. Chekrezi's article, Page 534.]

BULGARIA

The municipal or communal elections held in the middle of October showed about the same division of parties as did the general elections, the peasants winning in the country districts and the Communists in the towns, with the Democrats and Liberals maintaining their relative strength. About the same time the annual congress of Macedonian Societies took place at Sofia. The congress, which has been in existence ever since the days of Turkish administration, adopted resolutions still declaring for social and political solidarity, but also for a strict observance of the Treaty of Neuilly.

On Nov. 4 the Sofia Government made application to enter the League of Nations. This and the journey of the Prime Minister, M. Stambolisky, to Western European chancelleries were the chief topics discussed in the press of Sofia. While in London M. Stambolisky outlined the policy of his Government on several points, emphasizing its desire to resume mutually beneficial relations with its neighbors in the Balkans and also to create lasting bonds with the great Entente Powers.

The law of labor, he said, recently voted by the Bulgarian Parliament, which made it compulsory for all Bulgarians to render their services to the State during a period of one year, would enable the Government to develop and cultivate large areas of valuable land, which, for the lack of labor, had not been touched in the past; to build up roads between towns and villages, to help in undertaking large State enterprises, and in general to cure all war wounds. Every facility, he added, would be given foreign capital and foreign industrial enterprises for exploitation.

The Sofia Government prepared comprehensive reports on the industrial needs and natural resources of the coun-

try for distribution among foreign legations and consular offices, which state in the frankest manner possible that for two years prior to the war Berlin and Vienna interests practically controlled all Bulgaria's natural resources.

New deposits of lignite and oil, it was stated, were constantly being discovered by foreign engineers, particularly in the Sofia district, while in the mountain districts numerous quarries of granite, marble, lithographic stones, millstones, fuller's earth, fireclay, &c., only awaited capital with the proper machinery for development.

JUGOSLAVIA

After Fiume, Vilna, and after Vilna—Klagenfurt. Such was the fear in the Council of Ambassadors at Paris when the troops of Serbia occupied on Oct. 12 the southern or "A" zone of that district on the Austro-Jugoslav frontier, whose nationality had presumably been settled by plebiscite. In the plebiscite held Oct. 10 there were 22,025 votes cast in favor of adherence to Austria, against 15,278 in favor of adherence to Jugoslavia. In accordance with the Treaty of St. Germain, the Austrian victory in this zone rendered a plebiscite in the northern or "B" zone unnecessary, and the whole district, therefore, should go to Austria. Nevertheless, after the Austrian victory had been registered the Yugoslav troops took possession.

On Oct. 20 the Council of Ambassadors sent a request to the Belgrade Government to have the troops withdrawn within forty-eight hours. This request was not in the form of an ultimatum, but of a message intended to test the good faith of the Serbians and invite an explanation. The next day Belgrade sent the desired explanation. The Serb troops had occupied zone "A" with the object of protecting the Slovenes, who had voted for Jugoslavia. The Austrians were alleged to have used threats which drove many Slovenes from their homes and prevented them from voting. But with the establishment of order made possible by the presence of the troops the conduct of affairs was being handed over to the Interallied Commission, and the troops were being

gradually withdrawn. Meanwhile, it was added, evidence was being collected which would be submitted to the Peace Conference tending to demonstrate the presence of fraud practiced by the Austrians in the plebiscite.

A somewhat similar problem was imposed on the Council of Ambassadors on Nov. 7, when it received the following communication from the Bulgarian Government at Sofia:

Serbian troops have crossed the frontier to occupy the territory detached from Bulgaria by the Treaty of Neuilly, without awaiting the demarcation of the frontier and the settlement of numerous questions brought before the Ambassadors' conference in Paris.

The Bulgarian Government, finding the occupation premature, protested, but to prove its loyalty it ordered the Bulgarian authorities to withdraw without resistance.

Serbian troops entered Tzaribrod yesterday morning (Nov. 6). All the stores were closed as a sign of mourning and three days of mourning have been declared throughout Bulgaria.

MONTENEGRO

Although, as was pointed out last month, Montenegro is *de facto* a part of Serbia and has a Serbian administration directed from Belgrade, *de jure* she still continues to function, at least theoretically, as an independent nation. Her fate will ultimately be settled by the Peace Conference, whose agents are now in the Black Mountains collecting evidence. The settlement of the independent status of Albania by the treaty made between the Tirana and Rome Governments greatly encouraged the irreconcilables among the Montenegrins, although the French forces representing the Peace Conference had surrendered the Skutari district into Albanian hands. Fearing that the coming Italo-Yugoslav conference at Rapallo to settle the Adriatic question might further deplete what was considered Montenegrin territory, or, hoping to gain some recognition of their aspirations at that conference, they made every effort to secure representation there independent of the Belgrade delegation.

They failed, but the efforts made to secure such representation by M. Jovan

Plamenatz, who has been *de jure* Montenegrin Premier and Minister of Foreign Affairs since January, 1919, are a matter of record. At the time the project for the Rapallo conference was projected, he was in Rome and made a request to the Italian Government for representation on the following grounds:

1. That nations are measured neither by the number of square kilometers which they occupy nor by their populations, but by their national rights.

2. That, as Montenegro had entered the European war as the ally of the great powers, so she had a right to enter into the liquidation of that war as a subject, not as an object, of the transaction. The great powers had allowed the representatives of the newly formed States to participate in the Peace Conference, but had not allowed Montenegro to take part therein.

3. That Italy, when she put forward her conditions in the Treaty of London, April 26, 1915, had asserted, as one of those conditions (by Article 5, Note 2) that Croatia, Serbia, and Montenegro should have their shares of Austro-Hungarian territory. Yet, in spite of all this, after Montenegro had lost 50 per cent. of her army, she was not allowed to participate in the Peace Conference. Montenegro had always accepted the Treaty of London and had never protested against it.

Nevertheless, Montenegro was not allowed representation at Rapallo, where the Treaty of London was scrapped and an era of good-fellowship established between Italy and Jugoslavia.

RUMANIA

On Oct. 28 the treaty giving Bessarabia to Rumania was signed in the famous Clock Room at the Quai d'Orsay, Paris. Although, as will be seen from the text, Russia, when she shall have established a stable Government, will be invited to adhere to the treaty, she had no part in the disposition of her territory provided for by the treaty. M. Jules Cambon signed for France, the Earl of Derby for Great Britain, Count Bonin Longare for Italy, and M. Take Jonescu, who immediately departed for Bucharest via Prague and Warsaw on the business of the Little Entente, signed for Rumania.

The preamble to the treaty sets forth that the transfer of this great fertile stretch of country is carried out in ac-

cord with the wishes of the population, and the terms with regard to Rumanian sovereignty are similar to those in other treaties which have been made in the past year. The right of Russian and other nationals to choose whether or not they wish to become Rumanian subjects is safeguarded, and what is called the "minorities clause," guaranteeing liberty and justice to all races within the area, has been accepted by Rumania after considerable delay and argument as to whether it did not interfere with her sovereignty.

In three separate clauses the help of the League of Nations is invoked. In the first article, which provides for the setting up of a commission of three members to settle the frontiers, the League Council is asked to appoint one member to act on behalf of Russia with others appointed by the principal allied powers and Rumania. In the event of the commission not settling within two years the proportional part of the Russian national debt which Rumania accepts with the Bessarabian territory, the League is to be asked to arbitrate the matter.

The third matter on which the League will have to play an important rôle is with regard to claims of Russia against the treaty. The clause reads:

The high contracting powers will invite Russia to adhere to the present treaty as soon as there shall exist a Russian Government recognized by them. They reserve the right to submit to the arbitrage of the Council of the League of Nations all questions which may be raised by Russia concerning details of the treaty.

At the same time it is specifically stated that the frontiers settled and the sovereignty of Rumania will not be put in question.

CZECHOSLOVAKIA

In a statement reported by the Czechoslovak Press Bureau, Premier Czerny expressed himself in sharp terms about the irredentist activities of the Hungarian Government as revealed in the press of Prague and Vienna. The Czechoslovak Republic, the Premier said, was resolved to maintain the best relations with all its neighbors and especially to

foster economic connections. If, therefore, the relations with Hungary are not what they should be, the responsibility does not rest on Czechoslovakia. The Czechoslovak Republic is determined to defend its rightful possessions and will



FORMER RUSSIAN PROVINCE OF BESSARABIA, WHICH WAS HANDED OVER TO RUMANIA BY A TREATY SIGNED AT THE QUAI D'ORSAY, PARIS, OCT. 28, 1920

ward off most energetically all attacks, open or secret, against its integrity. It is a fact that a widely diffused and well organized irredentist movement is fostered on the part of Hungary, abundantly supplied with money according to well-laid plans. This condition is little likely to bring about mutual understanding. As long as Hungary will employ similar means the Czechoslovak Republic must be on the alert.

Referring to the Vienna revelations, Foreign Minister Benès said that the authenticity of the documents proving the Hungarian intrigues was fully established. The Minister declared that the complete dossier would be submitted to the League of Nations.

A conference of Social Democratic members of both parliamentary chambers adopted the following resolution:

We shall continue in regarding the Czechoslovak Republic as the foundation upon which we shall work for the achieve-

ment of the Social Democratic program. For this reason we shall continue to cooperate in the work of Parliament. Our party will submit bills concerning the socialization of mines and sugar factories, old age and disability insurance and factory councils. Our party declines to participate in any coalition of parliamentary groups. We reserve freedom of action toward the Ministry and shall guide our attitude by the stand of the Government upon social questions and by its efforts

to carry out the program of its predecessor. In the field of foreign relations we demand a policy of peace and friendship toward all our neighbors. We insist on strict neutrality as between Poland and Russia, and demand resumption of diplomatic relations with the Soviet Republic. Our party approves of the suggestion to call a joint congress of the proletariat as proposed by the Karlsbad conference of the Bohemian-German Social Democrats.

Greece in Quest of a King

Death of King Alexander and Refusal of the Throne by Prince Paul Cause Complications

GREECE

THE opinion of the press of Athens in the days preceding the general elections of Nov. 14 was that these elections, which were for a new Bulé, or Parliament of one chamber, would also serve as a referendum for the policy of Premier Venizelos, particularly his recent judgment in regard to dynastic succession inspired by the death of King Alexander, and for the attitude of Prince Paul.

The elections unexpectedly went against the Venizelos Government, the returns up to Nov. 16 showing the election of 118 supporters of Venizelos as against 250 Royalists. The famous Premier and all but two of his Ministers were beaten. He and his Cabinet resigned on Nov. 13. The success of the opposition, led by Demetrios Gounaris, was taken as a rebuke of the people of Hellas visited upon Venizelos for his expulsion of King Constantine.

Gounaris was the Deputy from Patras, who succeeded Venizelos as Prime Minister in the Spring of 1915 and conducted the elections which resulted in the Bulé whose dissolution by Constantine was considered unconstitutional. The repudiation of Venizelos by the people would, on the basis of the challenges exchanged between Venizelos and Gounaris, make the return of King Constantine inevitable.

Gounaris has been the political as well as the personal opponent of Venizelos throughout his career; he opposed his

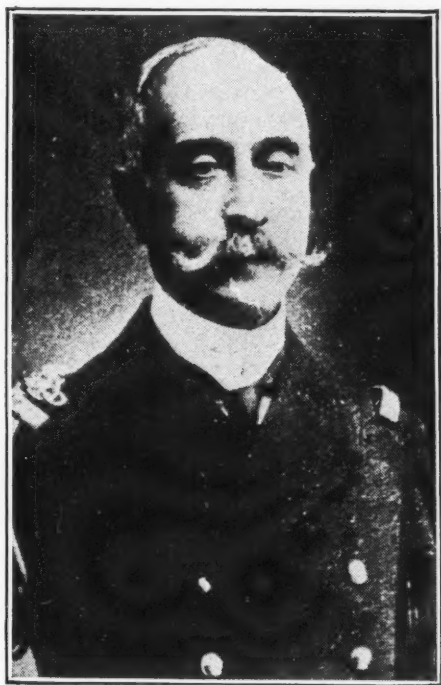
policy in the two Balkan wars of 1912-13, and adhered to the policy of King Constantine from February, 1915, until the expulsion of the King in June, 1917, and since then he has obstructed his great



THE LATE KING ALEXANDER OF GREECE

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opponent's policy, both in and out of Parliament. Finally, in the recent general elections, he accepted the challenge of the Liberal Prime Minister and declared that the voting would prove, as by referendum, that the policy of expelling the King, the hero of the Balkan wars, and the policy Venizelos had maintained at the Peace Conference, would be repudiated by the people if an unrestricted vote were allowed. The vote seems to have justified his prediction,



ADMIRAL PAUL KOUNDURIOTTIS
Named Regent of Greece during the minority
of Prince Paul
(© Underwood & Underwood)

and Greece therefore apparently faces an era of reaction.

The old Bulé, which carried the Venizelos administration through the war and the periods of armistice and peace negotiations, was the famous Legislature elected May 31, 1915, discarded by King Constantine on account of its pro-Entente attitude, and then resummoned by King Alexander after the expulsion of his father June 12, 1917.

King Alexander died Oct. 25 from the bite of a monkey received Oct. 2 in the



PRINCE PAUL
to whom the Greek throne has been offered

garden at Tatoi. The old Bulé, which had been dissolved, was immediately summoned by the Prime Minister, and on the following day announced that "in conformity with the constitutional order of succession, the younger brother of King Alexander, Prince Paul, is called to succeed him." In view of the absence of Prince Paul and the uncertainty of his acceptance, the Bulé, in conformity with Article 50 of the Constitution, was formally reconvened on Oct. 28, and by a vote of 137 to 3 elected Admiral P. Kounduriottis Regent to serve until the arrival of the new King. Then for the first time since the expulsion of King Constantine the Greek Government, through its Minister at Berne, officially opened negotiations with the family of the former King in residence at Lucerne.

Prince Paul was born in Athens Dec. 1, 1901, and is unmarried. He left the country with his father in June, 1917, and has been with him in Switzerland ever since.

Admiral Kounduriottis is Minister of Marine in the Venizelos Government, which has been in power since June 27, 1917. In September, 1916, the Admiral, then Commander in Chief of the Greek

Navy, formed one of the little band of patriots who accompanied Venizelos to the island of Crete and there set up a Provisional Government for the purpose of forcing the country to enter the war in conformity with her treaty with Serbia, which King Constantine had rendered another "scrap of paper." The Admiral first took charge of Venizelos's bureau of information and then aided in sending Venizelos volunteers to the support of the Entente army at Saloniki. After the expulsion of Constantine, Paul Kounduriottis returned with Venizelos to Athens and was installed in the Department of Marine. In October, 1919, he handed in his resignation, in spite of the protests of the Prime Minister, saying that his work was done and that he would make room for a younger man. It was then that the people, led in their demonstration by the late King Alexander, forbade him to do so. The Bulé, by unanimous vote, gave him a life pension of \$10,000 and the rank of Admiral of the Fleet and an automobile which was to be maintained at the expense of the State. The rank had not been bestowed since the days of Constantine Kanaris; the gift of an automobile was utterly unprecedented in the annals of the Bulé.

While the Greek Minister at Berne was resuming relations with the Royal Family, the Prime Minister issued two important manifestoes, one immediately after the death of King Alexander and the other on Nov. 7, after Prince Paul had been interrogated as to his succession and had answered conditionally. In the first, which was addressed to the foreign press, M. Venizelos said:

The rights of Constantine and his eldest son being once forfeit, the right of succession to the Crown goes naturally to the younger brother of the late King. We shall, however, avoid all uncertainty in the future by means of the conditions which will be imposed on the new King, provided that his father and the ex-crown Prince (Alexander's elder brother, the Duke of Sparta), should definitely recognize the present settlement of the Crown. Otherwise we shall be confronted with the difficult question of electing a new King. But I do not expect such an emergency to arise, because there is no example in history of a father prohibiting his son from accepting a throne. Nor has any royal family ever liked to see itself completely excluded from all

right of succession to a throne. I have every confidence in the Greek people, and I am constrained to point out that never since my political career began in Greece has there been such a quiet period before the general elections. There have been practically no disturbances, even though during the first week after the dissolution (of the Bulé) the reactionaries tried in vain to provoke trouble.

On Oct. 30 Prince Paul was officially informed of the decision of the Bulé in regard to his succession. In reply he thanked the Minister for the sympathy expressed by the Greek Government on the occasion of the death of his brother, but said that he did not share the view of the Government that he was called to the throne in accordance with the Constitution. He bade the Minister convey this declaration to the Government:

The throne does not belong to me, but belongs to my august father, King Constantine, and my eldest brother, Prince George, is constitutionally his successor. Neither of them ever renounced his rights, but both were obliged to leave Greece in obedience to their supreme patriotic duty. The Government itself recognizes this as much by official declarations as by this offer which you have made in its name. The solution of the question raised by their departure is still in suspense.

Concerning the special conditions specified in your offer, the King has always declared himself willing to subordinate his will to the free expressions of the desires of the Greek people. As for Prince George, he has never made any declaration at all, and it is not for me to renounce his rights. I am convinced my point of view corresponds to that of the Greek people, to whom the right in any case belongs, in the exercise of its sovereign rights, to make final decision by the free expression of its will, to which we all should, in the interests of our dear fatherland, submit ourselves without opposition.

By this expression of the will of the Greek people, internal peace will be fully assured, and at the same time the bonds which have always united the Greek people to the dynasty founded by my venerated grandfather, the late King George, will be strengthened. All members of that dynasty possess the eventual right to the throne. I would, then, consent to ascend the throne only in the event of the Greek people deciding it does not desire the return of my august father and excludes Crown Prince George from his rights of succession.

King Alexander had scarcely breathed his last when the propagandist agents

who were working for the return of King Constantine issued in Athens and abroad declarations that both the British Government and King George would view with satisfaction the restoration. These declarations met an emphatic denial from Lord Granville, the British Minister at Athens. The propaganda of Constantine's friends, added to the attitude of Prince Paul, is believed to have inspired the Venizelos manifesto of Nov. 7, which was telegraphed to Greek Legations in the principal capitals for publication. It reads in part:

We accuse Constantine of having, even before the war, entered into agreements with the Emperor of Germany, agreements constituting impediments by which the free guiding of the foreign policy of Greece was hampered.

He opened the doors of Oriental Macedonia and thus became the cause of the lamentable death of 40,000 Hellenes and of the ruin of this opulent province; he implored German headquarters to attack the English and French and throw them into the sea, knowing full well that this offensive was to be operated almost exclusively by Bulgarian troops; he prepared the murder of the Franco-Britishers, and after he found refuge in Switzerland he unceasingly organized seditious plots in Greece so as to render her unable to enter the war, and consequently after Germany's defeat he continued to direct the criminals in order to attempt to overthrow the régime estab-

lished in Greece, with the sole object of preventing our policy from bearing satisfactory fruit for Greece and as a result to prevent the full justification of this policy in regard to the Greek people.

His return would transport Greece immediately from the conquerors' camp to that of the vanquished. * * *

Two days before the elections the court decided that the marriage of the late King with Aspasia Manos, the daughter of a Greek army officer, had been legal, thereby establishing her civil rights as a widow and the legitimacy of any posthumous issue. It had been contended by King Constantine's lawyer, presumably to secure the late King's property, that the marriage was illegal because performed by an improper ecclesiastical authority. The marriage being legal now becomes morganatic—in the same category as that of the late heir presumptive to the Austro-Hungarian throne, the Archduke Francis Ferdinand, with the Countess Sophia Chotek, afterward Princess von Hohenberg; on the legalization of his marriage he renounced the right of his future children to succeed to the throne.

Mme. Manos is expected to become a mother in December, but the child, if a male, could be regarded as the royal heir only through an act of the National Assembly changing the Constitution.

Dividing the Former Turkish Empire

Summary of New Agreement Under Which Great Britain, France and Italy Claim Spheres of Influence

TURKEY

IT was made known on Nov. 5 that when the Turkish Treaty of Peace was signed at Sèvres, on Aug. 10, Great Britain, France and Italy had also signed an agreement in which they undertook to support one another in maintaining their respective spheres of influence in Turkey. The document is a modification of the Sykes-Picot pact, negotiated during the war by the same parties, based on the Treaty of London. It will come into effect simultaneously with the promulgation of the Treaty of

Sèvres. Washington is deeply concerned as to how Article 10 of the agreement will be executed.

The publication of the text of the agreement before the date of promulgation was due to the fact that on Nov. 5 a convention was concluded between France and Great Britain to govern the military relations of the Allies at Constantinople so as to follow certain stipulations made in the treaty until that document should be ratified by Turkey. The convention provided that a British General should have the Presidency of

Constantinople for two years after the said ratification, that the Presidency of the Financial Commission should be in the hands of a French representative, and the Railroad Commission in the hands of an Italian representative.

The preamble of the tripartite agreement reads:

Being anxious to help Turkey develop her resources and to avoid the international rivalries which have obstructed these objects in the past, and being desirous to meet the request of the Turkish Government that it receive necessary assistance in the reorganization of justice, the finances, the gendarmerie and of the police, in the protection of religious, racial and linguistic minorities, and the economic development of the country; considering that the autonomy or eventual independence of Kurdistan has been recognized by them, and that it is desirable with a view to facilitating the development of that country and make provision for any assistance it may require in its administration and to avoid international rivalries in such matters; recognizing the respective special interests of Italy in Southern Anatolia and of France in Cilicia and the western part of Kurdistan bordering on Syria, up to Jezire-Ibn-Omar, as these areas are hereafter defined, the British, Italian and French Governments have agreed upon the following:

Article I.—There shall be equality in Turkey between the contracting powers in the composition of all international commissions, whether existing or to be established, charged with the organization and supervision of the different public services and for insuring the protection of racial, religious and linguistic minorities. However, in the event the Turkish Government or Kurdistan is desirous of obtaining external assistance in the local administration or policing of areas in which the special interests of France and Italy are respectively recognized, the contracting powers undertake not to dispute the preferred claim of the powers whose special interests in such area are recognized to supply such assistance. This assistance shall be specially directed to enhancing the protection afforded to the racial and linguistic minorities in said areas.

Article II. provides that the products and manufactured articles coming from or going to the territories, dominions, colonies or protectorates of the contracting powers shall enjoy in the areas defined perfect equality in all matters relating to commerce and navigation. The next article reads:

Article III.—The contracting powers undertake to render diplomatic support to each other in maintaining their respective positions in the areas in which their special interests are recognized.

Article IV. provides that the Anatolian railway, the Mersina-Tarsus-Adana railway and that part of the Bagdad railway lying in Turkish territory as defined by the treaty with Turkey shall be operated by a company with its capital furnished equally by British, French and Italian financial groups. The French Government under this article has the privilege of exchanging its interests in the Bagdad railway for the exclusive exploitation of the railroads within its area of special interest.

Article V. fixes the boundaries of the areas in which the special interests are recognized. The next article is as follows:

Article VI.—The mandatory powers for the territories detached from the former Turkish Empire will enjoy, vis a vis with the contracting powers, the same rights and privileges as the powers whose special interests are recognized in the areas defined in Article V.

Article VII. reserves to Italy the right of the exploitation of the Heraclea coal basin. By Article VIII. the French and Italian Governments agree to withdraw their troops from the respective areas when the signatories are agreed in considering that the treaty of peace with Turkey is being executed. By Article IX. the signatories with special interests accept responsibility for supervising the execution of the terms of the treaty with Turkey for the protection of minorities within their respective areas.

Article X.—Nothing in this agreement shall prejudice the right of citizens of third States to free access for commercial and economic purposes to any of the areas defined in Article V., subject to the reservations which are contained in the treaty of peace with Turkey or which have been voluntarily accepted for themselves in the present agreement by the contracting powers.

The agreement is to be ratified, it is provided in Article XI., and be communicated to the Turkish Government and to be published and come into force at the time the Turkish peace treaty goes into effect.

After undergoing conflicting pressure



MAP OF THE FORMER TURKISH EMPIRE SHOWING THE VARIOUS "SPHERES OF INFLUENCE" INTO WHICH IT HAS BEEN DIVIDED

from three sources—that of the Nationalist agents of Mustapha Kemal Pasha, the Sultan, and the Interallied Commission—the Government of Damad Ferid finally gave way on Oct. 18, before the exigency of being required to produce an immediate ratification of the Treaty of Sèvres, and Tewfik Pasha undertook to form a ministry of provisional character for the purpose of bringing about ratification, but on the stipulation that his colleagues should be of his own choosing. So three days later the following slate was read in the Chamber and approved by the "rump" there:

Grand Vizier, Tewfik Pasha.
Minister of the Interior, Marshal Izzet.
Minister of War, General Zia.
Minister of the Navy, Marshal Saleh.
Foreign Affairs, Sefa Bey.
Minister of Agriculture, Kiazim Bey.
Sheik ul Islam, Nury Effendi.

On Oct. 26 the new Grand Vizier announced the intention of the Government to convoke the Senate with the Chamber in order to ratify the Treaty of Sèvres "as soon as efforts to bring about national union shall have succeeded." This meant the adhesion of the Nationalists in some form or other. With this end in view Kiazim Bey introduced the project of sending a Prince of the Royal House to treat with Kemal at Angora,

the Nationalist headquarters. Objection was made by Tewfik that on such an errand the Prince might be induced to throw in his lot with Kemal and thus accomplish nothing.

Anticipating such a mission, Kemal summoned a convention of Nationalist leaders at Erzerum, attended principally by Enver Pasha, Behaeddin Shakir Bey and other Young Turks, which reaffirmed the Nationalist contempt for the Sèvres document, and then debated the following military question, the result of which was not made known: Should the forces on the Eastern Anatolian front led by Kiazim Karabekir Bey, and supported by the political influence of Enver, direct all their strength toward Transcaucasia and Mesopotamia, or should they serve as a reserve while Mustapha Kemal attacked the Greeks in the Smyrna region and thus attempt to rehabilitate his military reputation?

It was conjectured, however, that the conference ultimately decided in favor of the eastern manoeuvre, because it was announced on Nov. 7 in Constantinople that the Nationalists had advanced from Kars and Alexandropol and were threatening Erivan, the capital of Transcaucasian Armenia. On the day when the news of the advance of the Nation-

alists eastward instead of westward reached Constantinople, two days after the publication of the tripartite agreement of Sèvres, the Turkish Government addressed a note to the Entente Powers, declaring that the present time was inopportune for the ratification of the Treaty of Sèvres.

SYRIA AND CILICIA

The change in the military policy of General Gouraud, the French High Commissioner for Syria, indicated in these columns last month, was blamed by the Armenian Bureau in London for the capture of the Armenian town of Hadjin, 100 miles north of Adana in the Cilician Taurus, and the massacre of the inhabitants, 10,000 Armenians, by the Nationalists. The siege of Hadjin had been going on since March, the French column which relieved Aintab in that month having failed to relieve it.

According to the tripartite agreement, France, like Great Britain and Italy, is obliged to keep her army of occupation in her sphere until the safety of minorities shall be guaranteed and all three contracting powers shall have agreed that the Treaty of Sèvres has been executed by Turkey. Nevertheless, General Gouraud shortly after his arrival at Mersina in September, finding that order had been restored over the greater part of the Cilician plain and the foothills of the Taurus and that part of the Turkish population was being kept from its holdings by Armenian "squatters," deemed that further offensive measures were unnecessary, while a peaceful, reconstructive policy might tame the Nationalists and appease the Government at Constantinople. He therefore dismissed Colonel Brémont, whose policy had recently been to encourage the Armenian element; ordered the Armenian leaders to co-operate in the disarmament of the Armenian Legion (which had been trained and equipped by the French, and was about to march to the relief of Hadjin), and informed the refugees from Anatolia that they must leave Cilicia. The Armenians refused to comply, whereupon the column leaving for Hadjin was disarmed, some Armenian notables were arrested, and about 14,000

refugees were deported into French territory in Syria. General Gouraud also informed the Armenian element that, as French troops would eventually evacuate Cilicia, Armenians resident there must choose between accepting Turkish rule or leaving the country. This is the third attempt that has been made to win the Nationalists by pacific measures.

PALESTINE

Cecil Harmsworth, British Under Secretary for Foreign Affairs, in a written answer to an interpellation made in the House of Commons on Oct. 26, summarized the work done in Palestine by Sir Herbert Samuel as British High Commissioner, since his arrival there in June. Several phases of this work had already been published—the gradual abolition of war measures, the reorganization of districts under the direction of an Advisory Council of Ten—with four Moslems, three Christians and three Jews—schemes for education and agricultural development, &c., the widening of the Jaffa railway and improvements in the harbor of Haifa. At present the administration was concerned with the following subjects:

(1) The establishment of one or more banks for granting long term loans for agriculture and industry. (2) The practicability of a special tax upon the rising value of land. (3) The unification of weights and measures. (4) A campaign against the causes of malaria. (5) Schemes for new racial quarters in the principal towns.

The Hebrew language, equally with Arabic and English, has been recognized as the official language in all places containing a considerable Jewish population and in all central government departments. Jewish immigrants are arriving at an average rate of 1,000 a month, and are being employed in road construction, land reclamation and in the existing Jewish colonies. Sir Herbert has requested the British Government to ask France, the mandatory of Syria to the north, for a new delimitation of the Syria-Palestine frontier in order that Palestine may have adequate water supply for her economic life.

It was announced from Jerusalem on Nov. 1 that Sir Herbert had authorized the administration to recruit 600 Palestine Jews for service with the Jewish Legion, which was being utilized as a domestic force. On Nov. 11 the steamer Mahmoudi, flying the Jewish flag below the British, sailed from Constantinople for Jaffa, the port of Jerusalem, with 550 Jewish emigrants. They came principally from Soviet Russia, Rumania, Galicia, the Caucasus and the Crimea.

MESOPOTAMIA

The situation in Mesopotamia took a marked turn for the better, although Arab and Turkish raids continued against the British outposts and along the less-guarded lines of communication. The increase in the number of prisoners and the readiness with which they surrendered was taken to indicate that the tribesmen preferred good quarters for the coming Winter rather than continued hazardous existence in the field. The submission of the two great Shiah centres of Kerbela and Nejef broke the back of the revolt on the middle and lower Euphrates, where the Syrian and Arabic

propaganda and money had proved to be more effective among the Shiah than among the Sunni tribesmen. Samawa, after a fortnight's siege, was relieved. The only serious military action took place on the night of Oct. 23-24, when a formidable band attempted to rush the greater camp at Kufa, middle Euphrates, and was repulsed with heavy loss; after which a large number of tribesmen came in and surrendered their rifles.

At a banquet given at Basra to Sir Arnold Wilson, who had been British Acting Commissioner for two years and a half and was returning to England, Sir Percy Cox, the High Commissioner, outlined his policy in the presence of a large number of Arab notables, shieks, pashas and merchants, with reported marked effect. He said his orders were to establish in Mesopotamia an Arab Government with British assistance—"to complete the task we have shouldered—to help the people of the country to work out their salvation as a self-governing State, and the sooner the people of Irak [the Bagdad region] realize this, and set to work to co-operate with us, the better for us all."

Soviet Russia Crushes Wrangel

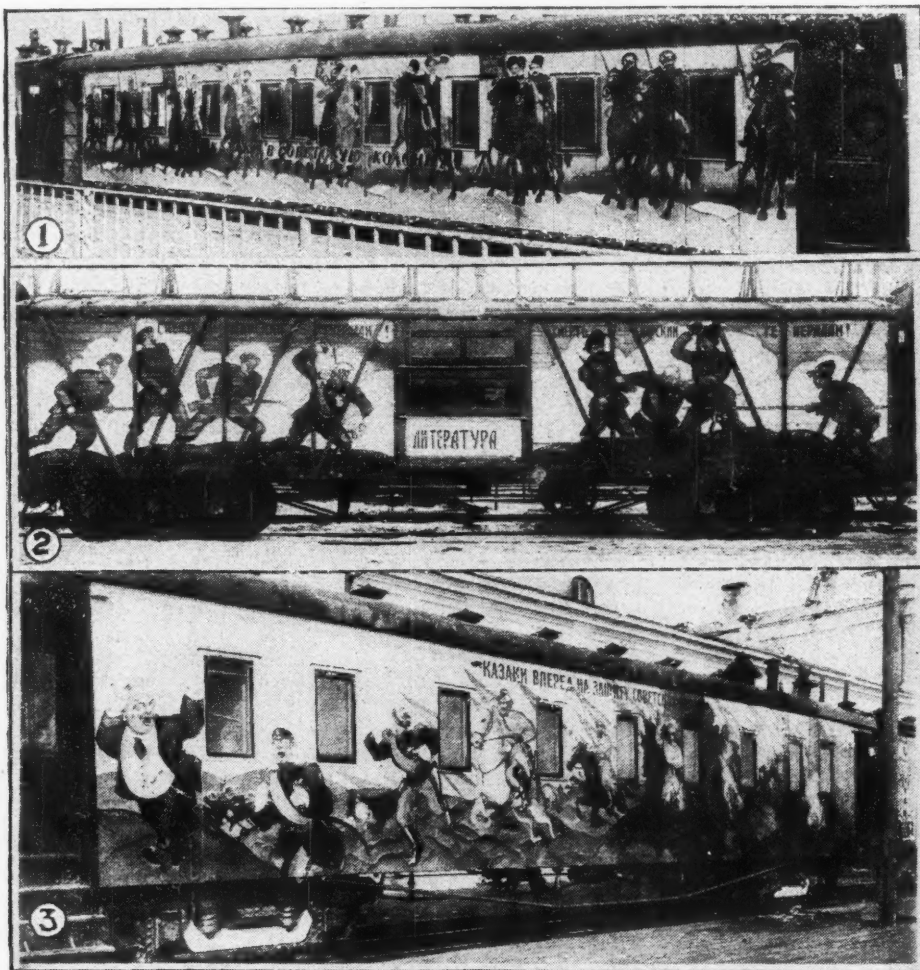
Anti-Bolshevist General's Forces Routed, His Government Overthrown

RUSSIA

THE anomalous situation in which the Soviet Government has so long found itself both at home and abroad was suddenly clarified toward the middle of November by the crushing defeat which it inflicted on General Baron Wrangel in the south. Immediately after signing the armistice with Poland the Bolsheviki turned their arms on Wrangel. Convinced that its efforts abroad, especially in Great Britain, to obtain resumption of trade depended on the elimination of the troublesome South Russian leader, the Moscow Government marshaled all its military power against him.

Since Oct. 12, when the Red forces re-occupied Mariupol and Berdiansk on the

Sea of Azov, the army of General Wrangel had been beaten steadily back. From Oct. 29 on the violence of the Bolshevist onslaught left him no alternative but retreat. He made a desperate stand at the Isthmus of Perekop, the mouth of the Crimea, but his resistance was vain. His trenches were stormed, his heroic soldiers suffocated by the fumes of poison gas, and his whole army driven into headlong flight to the sea. Wrangel himself took refuge on an allied warship. The whole Crimea was overrun by the Bolshevist hordes. On Nov. 14 the Red forces were at the gates of Sebastopol. Huge losses were admitted by the Bolsheviki. As for Wrangel's army, it was practically cut to pieces, and a grave humanitarian



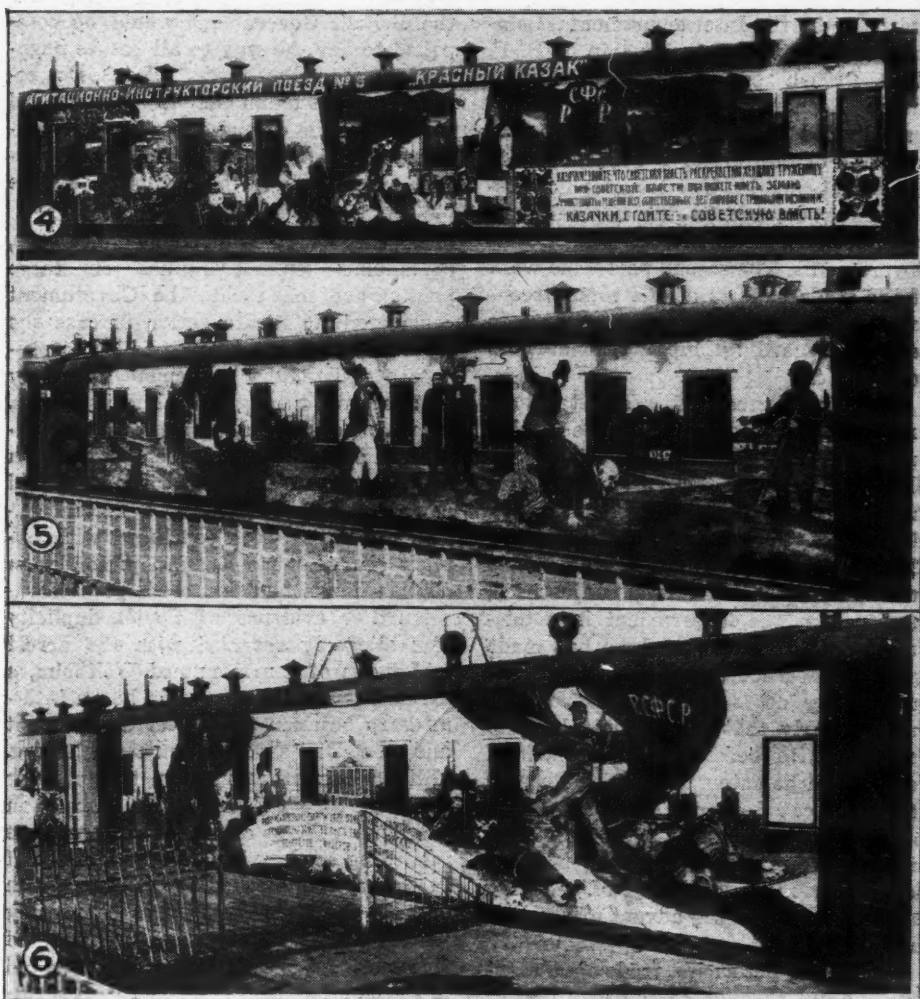
BOLSHEVIST ART ON RAILWAY TRAINS. THE SIX PICTURES SHOWN ON THIS AND THE ADJOINING PAGE ARE PAINTED ON THE OUTSIDE OF CARS RUNNING THROUGH THE COSSACK COUNTRY AND PORTRAY THE ALLEGED BENEFITS OF SOVIET RULE. (1) IS AN ENLISTMENT LURE, SHOWING COSSACKS FORMING INTO SOVIET CAVALRY. (2) PORTRAYS "DEATH TO THE IMPERIAL GENERALS," AND SHOWS TORTURES INFLICTED ON THEM. (3) DEPICTS THE HUNTING DOWN OF GENERALS AND CAPITALISTS

problem arose for the allied powers as to how to rescue the panic-stricken population from the doom which had come upon it. Thousands of refugees were being taken off by the allied warships when these pages went to press.

Thus ended another of the many anti-Bolshevist adventures which had gone the same way before the Bolshevist arms. The importance of this new victory to the Soviet dictators could not be underestimated. With Wrangel's elimi-

nation the Moscow Government rid itself of its last dangerous enemy, the guerilla warfare waged by General Petlura and General Balakhovitch being negligible.

All the Soviet's efforts to bring about a resumption of trade with Great Britain came to naught because of the underground activities of Kamenev, the Bolshevist Trade Envoy in London. Charged with the sale of Russian jewels to raise money with which to subsidize The



FURTHER BOLSHEVIST PROPAGANDA IN THE FORM OF PICTURES ON RAILWAY CARS. (4) IS A SPECIAL APPEAL TO WOMEN, SAYING, "THIS IS WHAT SOVIET RULE WILL DO FOR THE WOMAN WORKER. YOU WILL BE ABLE TO OWN LAND AND TAKE PART IN DECIDING SOCIAL QUESTIONS ON AN EQUALITY WITH MEN. COSSACK WOMEN! STAND FOR THE SOVIET RULE." (5) ADVOCATES DEATH TO THE BOURGEOISIE, AND (6) MAKES THE MURDER OF THE CZAR A TEXT FOR AN APPEAL FOR THE OVERTHROW OF OTHER OPPRESSORS

Herald, the official organ of the British Labor Party, and with an attempt to encourage the so-called Council of Action to further defiance of the Government,* Kamenev left London hastily after a

*The Council of Action was formed as an organ of labor protest against the British policy toward Russia. From its inception it adopted a dictatorial tone, declaring that if the Government attempted to declare war on the Soviet Republic, British labor would refuse its consent.

stormy interview with Lloyd George, who did not mince his words. Kamenev's departure left Krassin as the head of the Soviet Trade Delegation. Kamenev was replaced by a Bolshevik whose name was given out as Ryanassov. Krassin was said to be greatly perturbed over the check to trade resumption caused by Kamenev. Early in October, however, it became known that a draft agreement

for the resumption of trade had been drawn up by the Interdepartmental Committee under the Chairmanship of E. F. Wise, British representative on the Supreme Economic Council. The report was divided into two parts. The first consisted of the former provisional trade agreement made by telegraphic dispatches exchanged at the beginning of July between the British and Soviet Governments. The second part—the work of the trade experts of the committee—consisted of necessary arrangements to be made regarding shipping, embargoes on trade, &c.

This draft agreement was bitterly attacked by a certain section of the London press. The opposers were especially hostile to it because of its omission of stipulations calling for the recognition by Moscow of the imperial Russian debt. This criticism, however, it was subsequently pointed out, was unjustified, inasmuch as the Government in a telegram sent to Moscow in June had made specific reference to the payment of all outstanding debts by Russia, and intimated clearly that these would have to be dealt with before any proposals of peace could be entertained. The Russian debt to Great Britain alone was said to total the enormous sum of £571,000,000, resulting from the discounting of Russian Government Treasury bills during the war and up to the advent of the Bolshevik rule.

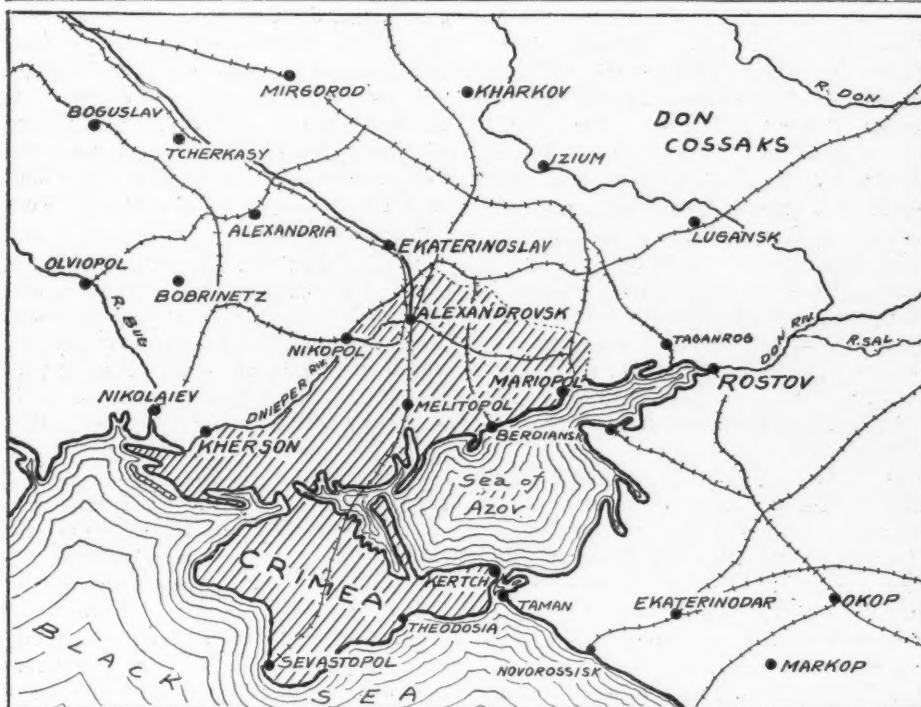
Whether or not such a trade agreement could be put through remained a matter for conjecture, as many serious obstacles remained in the way. Lloyd George was for it; Mr. Churchill, the War Secretary, against it. Dominating all other considerations was the fact that the Soviet Government had failed to fulfill its undertakings with Great Britain. This failure was emphasized in a note sent by Earl Curzon early in October, which gave a plain exposition of the British official view on the subject of the Soviet's double dealings, (1) in regard to the return of prisoners, (2) in the pledge to refrain from subversive propaganda in England, (3) in the promise to abstain from the pursuance of an anti-British policy in the East. The note further said that unless satisfactory

guarantees on these matters were given, the British Government would be compelled to bar the way to all future negotiations regarding trade. The Soviet reply was received on Oct. 7. With regard to the return of prisoners it was considered unsatisfactory. The other subjects referred to in the British note were not even mentioned.

Another note was dispatched on Oct. 9, demanding explicit replies on these points; and meanwhile the Government considered its future action in case the Moscow Government again failed to propose a satisfactory settlement. A reply was received through M. Krassin on Oct. 13 which dealt again only with the return of prisoners, and which contained a full acceptance of the conditions laid down by Earl Curzon for a mutual exchange. This note concluded with explicit charges that Russian prisoners in British hands had been badly treated.

Further evidence of Soviet duplicity was allegedly revealed with the arrest in London of a man named Weltheim, a Finnish subject, declared to be an intermediary between the Soviet Government and the British Communist agitators. Military manuals seized on the prisoner were for use of the "Red Army" in England. They contained instructions regarding the barricading and defense of factories, the blockading of the Welsh valleys, the cutting of wires connecting with the Post Office, the purchase of firearms, &c. Weltheim was sentenced to six months' hard labor and to deportation at the end of his term. Letters from Sylvia Pankhurst to Lenin and Zinoviev were found upon him.

Meanwhile the military activities of General Petlura, the Ukrainian peasant leader, and of General Balakhovitch, who had formerly co-operated with Poland, continued, and the Soviet Government on Nov. 1 dispatched a note to the allied powers protesting against this. Balakhovitch shortly before Oct. 23 captured the important junction of Gomel, 125 miles due north of Kiev, which had already been retaken from the Reds, and far behind the Bolshevik lines. A week earlier Balakhovitch had been reported at Minsk, 175 miles to the north. The British and French press gave his opera-



SHADED AREA INDICATES REGION FORMERLY HELD BY GENERAL WRANGEL'S FORCES, WHICH WERE DRIVEN SOUTHWARD AND ANNIHILATED BY THE REDS, AFTER MAKING A LAST DESPERATE STAND AT PEREKOP (NOT SHOWN ON THIS MAP) AT THE NECK OF THE CRIMEAN PENINSULA

tions considerable prominence. Bolshevik sympathizers bitterly declared that as Wrangel was now going the way of Kolchak, Yudenitch, and Denikin, the allied nations were preparing to play up Balakhovitch as the new standard bearer of a lost cause.

The true situation of Soviet Russia, always obscure, despite the voluminous reports of returning travelers, can best be judged by the official utterances of the Bolshevik officials themselves. That the Extraordinary Commission was functioning in full vigor, and that the Bolsheviks still believed this instrument of blood and iron was essential to the perpetuation of their rule, was revealed in a pamphlet written by one Latzis, a chief of the Communist Secret Service and an ex-officer of the Czarist "Okhrana."

Figures given by Latzis showed 344 insurrections, 34,334 imprisonments, 13,111 hostages, 56,541 arrests. In 1918

some 6,300 persons had been shot by the Extraordinary Commission; in the first seven months of 1919 the number of victims totaled 2,089. This applied only to the commission, and did not include the executions carried out by other Communist organizations or agencies. The figures for 1920 were later given. From June 23 to July 22, some 828 death sentences had been carried out. The fact that these were for mutiny and desertion from the Red Army showed that disaffection was spreading to the troops.

The Bolshevik official press—notably the *Izvestia*—published harrowing accounts of peasant rebellions caused by food requisitions. Rebellions were cited in fifteen Governments of Middle Russia. Tales of bloody deeds by peasants against Communists and of cruel reprisals by the Communists were narrated.

An article in the Moscow *Pravda*, reprinted by the *Freiheit*—a German-Swiss organ—pointed out the danger from the great centralization of power in the hands of the Communist party leaders.

*The name of the Secret Service under the Czar.



PEOPLE OF PETROGRAD TEARING DOWN A HOUSE AND CUTTING UP ITS TIMBERS
FOR FIREWOOD

(© Underwood & Underwood)



WOMEN OF CULTURE AND REFINEMENT FORCED TO SELL THEIR LAST BELONGINGS
ON THE STREETS TO AVOID STARVATION

(© Underwood & Underwood)



FORMER MEMBERS OF THE WELL-TO-DO MIDDLE CLASS REDUCED TO THE STATUS OF STREET CLEANERS IN PETROGRAD

(© Underwood & Underwood)

It was reported that opposition to their dictatorship was growing among the Communists themselves. Lenin was being guarded like an Oriental satrap. Both he and Trotzky admitted that Soviet Russia was facing a Winter of famine. Trotzky, according to the Moscow Pravda, as quoted by the Berlinske Tidende on Nov. 3, said:

I know danger is coming. I realize the possibility of a severe Winter, but though three-fourths of the population die of hunger and cold, the remainder will survive to carry world revolution through to victory.

Lenin in the Proletarskaya Pravda was reported as saying:

Soviet Russia never before has experienced such a food crisis. Moscow and other cities are paralyzed by famine, and the army is becoming famished. It is necessary for us to use all means in our

power to enforce delivery of foodstuffs by the peasantry.

Reports printed by the Economitcheskaya Zhizn, or Economic Life, published in Moscow, further showed that the financial situation of the Soviet régime was desperate. Enormous sums were being spent on propaganda and the output of paper money was quite inadequate to the demand. The budget of the various governmental departments ran into many millions of rubles.

The Moscow rulers, even if they expect ultimate overthrow, do not admit it. Though hostility to the Soviet régime is increasing, the Communist Okhrana still keeps it within bounds. The crushing defeat of Wrangel will undoubtedly do much to strengthen the position of Lenin and Trotzky—for a while, at least.



Poland at Peace With Russia

Effect of Armistice Signed at Riga—The Zeligowski Raid—
Danzig a Difficult Problem

POLAND

THE signing of an armistice agreement between Poland and Soviet Russia at Riga on Oct. 12 was undeniably a triumph for Poland. Virtually all the demands of Poland, victorious over the Red forces, were granted by the Moscow Government, whose anxiety for peace was frankly displayed.

The full text of the Peace Preliminaries and Armistice Agreement will be found elsewhere in this issue of CURRENT HISTORY.

The importance of the territorial concessions made by Soviet Russia has scarcely been realized. By the ground yielded east of the allied or Curzon line Poland received an increase equivalent to one-third of her whole domain. The provinces now made Polish have an area of 57,785 square miles. Poland's total area is increased to 160,165 square miles. If the plebiscite in Upper Silesia results favorably to the Poles and brings 5,000 square miles additional, the new Polish Republic will be larger than the State of Illinois, larger than California; in Europe it will be larger than the British Isles or Italy. The following comparative table is interesting:

	Square Miles.	Popu- lation.
France	214,000	40,000,000
Germany	192,000	65,000,000
Poland	160,165	35,000,000
British Isles	127,200	45,000,000
Italy	114,800	35,000,000

These figures show that if the peace with Moscow is ratified Poland will attain her long-cherished ambition to become again one of the great powers of Europe. M. Joffe, head of the Bolshevik peace delegation at Riga, admitted that the terms granted Poland, especially in the matter of territory, were very hard on Russia. He pointed out, however, that the territory conceded was less than what Poland, spurred by her past history and her new ambitions, had demanded.

The most serious concession strategically, it was admitted, was the Polish corridor along the Lithuanian border. This corridor, obviously of French inspiration, will serve the double purpose of shutting off Bolshevik Russia both from Lithuania—her erstwhile sympathizer—and, far more important for France, from renascent Germany. On the eastern border of Poland, it is clear, this Lithuanian strip of neutralized ground is to play a rôle similar to that played by the Danzig corridor on the west, granted by the Versailles Treaty. Contact with Latvia on the north, and the Polish occupation of Vilna on the south, give Poland full guarantee of maintaining her control of this strategic and economic ground of vantage.

The Polish Premier on Oct. 16 stated that he expected signature of the final Peace Treaty within a few weeks. The peace preliminaries, he said, were not wholly satisfactory to Polish aspirations, as a large number of Poles were left outside the new frontiers. Poland, however, by accepting these terms, showed evidence of her spirit of moderation and of her sincere desire to end the war with Russia and gain a breathing space for reconstruction.

It was stated in Washington after the Riga peace was signed that the State Department would refuse to sanction the territorial aggrandizement of Poland at the expense of Russian national sovereignty; it considered the terms forced from Moscow as contrary to the ethnographic principle insisted on by President Wilson and made virtually the cornerstone of the Treaty of Versailles. The injustice done to Lithuania by the corridor arrangement, making her an easy prey for future Polish absorption, was emphasized. The seizure of Vilna by Polish forces under General Zeligowski was regarded not as an isolated adventure, but as part of Poland's settled policy.

That both Great Britain and France held a similar point of view regarding General Zeligowski's coup at Vilna was seen by the issue on Oct. 18 of a joint Anglo-French note to the Polish Government. In this note the western Allies called on Poland to make an explicit disavowal of Zeligowski's act. At the same time both the Poles and Lithuanians were urged to cease from further bloodshed and to accept the final authority of the League of Nations to settle the boundary dispute between the two nations.

Both Poland and Lithuania had already submitted to the arbitration of the League, which had sent a military mission to Lithuania to study the situation. The raid of Zeligowski on Vilna and his establishment there of a new Government—called the Republic of Central Lithuania—interrupted the League's activities. The members of the League commission, therefore, who had been at Kovno—provisional seat of the Lithuanian Cabinet—returned to Warsaw (Oct. 18). Before departure they announced their intention of allowing Lithuania to deal with Zeligowski as they saw fit. The Lithuanians declared that they could drive Zeligowski and his Government out if they were not interfered with by the Poles or the French. It was said that this outlaw occupation by Zeligowski had interfered greatly with the negotiations for a union of Baltic States, and that M. Holsti, the Finnish Foreign Minister, had sailed for Helsingfors without having reached an agreement for the projected union. Meanwhile the Polish *d'Annunzio* was progressing with his plans to organize a new State, and had published a decree which gave to him and to an Executive Committee of his own creation supreme authority.

Another bone of contention for Poland has been the occupation of Danzig. The anti-Polish attitude of the German authorities of this port, which was set up as a free city by the Versailles Treaty, was recently displayed in their refusal to allow munitions for Poland sent by France to go through to Warsaw. The High Commissioner, Sir Reginald Tower,

was severely blamed by the French for withholding consent to the landing of these munitions on account of the state of feeling of the German dockers. Sir Reginald recently returned to Paris to discuss the future constitution of the Free City and the Convention to be drawn up regulating the relations of Danzig with Poland.

The Council of Ambassadors on Oct. 6 completed the work of drafting these charters. The convention contained modifications on which Poland had insisted several weeks before. These modifications mainly were concerned with giving Poland guarantees against interference by the Danzig authorities with Polish trade.

The Polish delegates, however, refused to accept this new draft. Fresh discussions began before the Council of Ambassadors in Paris on Oct. 25, and three representatives from Danzig and three from Poland set forth their opposing views. The Poles pointed out that they did not refuse to sign the Convention as drafted, but that they wished only to present their side of the case in full detail. Under the treaty as drawn, they declared, Polish ships would have only the same rights as other ships and receive no privileges, despite the fact that Danzig is Poland's admitted outlet to the sea. They further expressed dissatisfaction with the small control given them over the railways, posts and telegraphs. Above all, they wished control of the customs, which the new draft refused them. They wished the right to buy land and to build their own port facilities for the \$5,000,000 annual trade which they expected. The whole subject was thereby reopened, and the weary Ambassadors resigned themselves to the necessity of doing all over again the work which they had just completed.

Internally the situation of Poland is far from normal. The Vice Minister of Agriculture stated in Warsaw on Nov. 2 that the entire grain crop of the east had been destroyed by the Bolshevik invasion. From 40 to 70 per cent. of horses and cattle had been taken from Eastern Galicia and the territory north of the Vistula. The Minister of Public

Works reported that about 3,300 miles of roads had been destroyed and 110 bridges blown up.

Through all the excitement of the invasion the Polish Diet maintained its morale. An Agrarian bill was passed which greatly increased the number of small land owners and brought Poland further on its way toward complete democratization. The clause of the Constitution providing for a two-Chamber Parliament was passed by a majority of six votes on Oct. 22. Both at this and at a subsequent session (Nov. 5) the debate on the question of creating a Senate was marked by scenes of extreme violence, created by the Socialist and Radical

members. It was semi-officially announced on Nov. 6 that Poland had decided not to join the "Little Entente," a partial reason for this being the strained relations between Poland and Czechoslovakia over the result of the Teschen plebiscite.

General Niessel, commander of the Nineteenth Army Corps, left Paris on Oct. 10 for Warsaw to replace General Henrys as head of the French Military Mission to Poland. The Polish press expressed regret over the departure of General Henrys and gave warm words of welcome to his successor, already known and respected in Warsaw as a military reorganizer.

Situation in the Baltic States

Zeligowski's Seizure of Vilna

LITHUANIA

ALL other events in the Baltic region were overshadowed by the Polish-Lithuanian imbroglio, which the efforts of the League of Nations have thus far proved inadequate to settle. The League's intervention, it is true, was sought by both parties, and eloquent speeches were made by M. Paderewski and M. Woldemar, the heads of the respective delegations that pleaded their case at Brussels in September, pledging the acceptance by their Governments of the League's mediation. Acting on this pledge the League persuaded the conflicting States to a suspension of hostilities, and dispatched a military mission to the territory in dispute. Meanwhile the Poles and Lithuanians met at Kalyvara to discuss their differences, and hopes of a settlement were cherished by all parties concerned.

These pacific measures, however, were rendered futile by the action of the Polish General, Zeligowski, a free-lance military adventurer who had fought with the French in South Russia. Zeligowski rebelled against his superior commander, and, with a contingent made up almost wholly of Poles and White Russians, seized the important Lithuanian city of

Vilna on Oct. 9, in defiance of the orders of the Warsaw Government. The situation thus created was extremely embarrassing to the Polish Government, which desired, on the one hand, to keep its pledges to the Allies and to the League of Nations, and, on the other hand, wished to give the large Polish population of Vilna the fullest opportunity for self-determination. The Government of M. Witos disavowed the act of General Zeligowski, but general Polish sentiment was unmistakably in favor of the occupation, and the official utterances foreshadowed the ultimate condonation of the Zeligowski coup if this Polish d'Annunzio could show that the main desire of the Warsaw Government—the self-determination of Vilna—could be fulfilled.

General Zeligowski, in a special communication to the Polish Government, explained the coup as caused by the strong feeling of his troops, most of whom came originally from the Vilna district, on receiving the Government orders to abandon the attempt to take Vilna and to withdraw to certain prescribed limits. These men, who had enrolled in the Polish Army to fight the Bolsheviks after the Lithuanian Soviet

treaty of last July had given this territory permanently to Lithuania, had been infuriated, it was explained, by the ruin and destruction wrought by the Bolshevik forces in their home district, and insisted on taking the city. General Zeligowski yielded, and resigned his command in the Polish Army in order to lead his men against the town. Vilna was taken virtually without resistance on Oct. 9, the Lithuanians, in default of adequate defensive forces, being compelled to withdraw to Kovno. Once installed in Vilna, General Zeligowski took over the local rule from the Entente officials to whom the Lithuanians had entrusted it, and set up a new Government, styled the Government of Central Lithuania. An important position in this new régime was filled by M. Auguste Abramowicz, the editor of a Polish paper in Vilna and a prominent Polish Nationalist.

Meantime M. Léon Bourgeois, President of the Council of the League of Nations, impressed the Polish representatives in Paris with the gravity of the situation thus created, and called on Poland to take at once effective measures to suppress this insurrectionary movement. The Lithuanians, on their part, dispatched a delegation of protest to London, and also sent official protests to the League and to the United States. The note to Washington pointed out that the Polish Government, despite its disavowals, had permitted large reinforcements to join the contingent of General Zeligowski. The Lithuanian Government declared that it had documentary evidence of a foreknowledge of the coup by the Polish Government. The Poles denied this. The occupation of Vilna aroused the whole Lithuanian nation, and strong Lithuanian reinforcements gathered at Kovno to resist the advance of General Zeligowski.

There were many battles and skirmishes in the first two weeks of November, the Lithuanians being enabled to check Zeligowski's forces by well-equipped reinforcements from East Prussia. These were reported to number 12,000 German volunteers, many of whom had belonged to Avalov-Bermond's army in Courland. Colonel Bermond

himself, the soldier of fortune who operated last year in the Baltic States with a force of German volunteers, was reported by Polish newspapers to be in Kovno with a German staff. In the hard fighting that took place on the Vilna-Kovno line, the Poles lost the towns of Gedvosti and Dubinki.

General Zeligowski announced that the "so-called Lithuanian Government" at Kovno did not represent the best interest of the nation, being "of German and Soviet creation"; that "the sooner it was overthrown, the better," and that a constituent assembly would be called to represent all the races in Lithuania from the Baltic to the Lida, the idea of a plebiscite having been abandoned.

The League Commission made its headquarters in Kovno, to remain there while trying to adjust the differences between the Lithuanians and Zeligowski's irregular forces. It was also to investigate the crossing of important detachments of Germans from East Prussia into Lithuania.

FINLAND

Finland reached an armistice agreement with Soviet Russia at Dorpat, Esthonia, on Oct. 1. The treaty was signed on Oct. 14. Negotiations between the two nations had been conducted since the Spring of 1919, and many times been broken off. The main points of dispute between the Bolsheviks and the Finns were three: (1) The question of Petchenga, a strip of land in Russian possession cutting off Northern Finland from the Varanger Fiord, and Finland's natural outlet on the Arctic Ocean. (2) The question of the islands in the Gulf of Finland, especially Hogland, which control the waters leading from the Baltic to the Russian fortress of Kronstadt and to Petrograd. Under the Czar these islands were administered by Russia as part of the Finnish Duchy. Finland, having gained her independence, has been very anxious to acquire control of these islands, which are strategically important in her system of national defense. (3) The question of Karelia—a province that is the natural complement of Finland on the north from Lake La-

doga, and possesses a large population of Finnish stock—and of the Karelian population of Archangel, Olonets and Petrograd.

By the treaty finally signed the Soviet Government yielded to Finland virtually all her demands. The Finnish proposals regarding the neutralization of the frontier in the Petchenga region—especially of the communes of Repola and Porarjarvil, occupied by Finland since 1818—and in the matter of Hogland were accepted. Autonomy was given to Eastern Karelia, and to the Karelian population of Archangel and Olonets. Finnish inhabitants of the Government of Petrograd were given all the rights of ethnic minorities, including the private and public use of their own language. Finnish exiles from these districts were granted full political amnesty and empowered to return. [For the Aland Islands dispute, see Sweden.]

LATVIA

Latvia, on her part, had signed a peace treaty with Moscow on Aug. 11. Ratification of this treaty by the Latvian Constituent Assembly occurred on Sept. 2. By the making of peace with its Soviet neighbor Latvia took an important step toward reconstruction. The present social and economic position of this newly created State, consisting of part of the Baltic Provinces of the former Russian Empire, augurs a prosperous future, if the country is protected from aggressions on the part of its neighbors. The boundaries of Latvia are subject to final decision by the Allies or the League of Nations, but it is estimated that under any decision they will enclose an area of some 40,000 square miles. The population has been much

decreased by the war, and now amounts to approximately 1,780,000, two-thirds of the pre-war figure. About one-quarter of the Lettish population consists of Russians, Jews, Germans and Poles.

The Letts are a distinct race from the Russians, from whom they differ greatly in respect to temperament and character. Fair in complexion and heavy of build, they are much more stable and phlegmatic than the Russians. These qualities account in part, at least, for the remarkable showing of the Letts since the outbreak of the war. Considering that they have been fighting continuously since 1914, that their independence has been but recently acquired, and that they have had no experience in self-government, they have developed the social, political and economic position of their country to a very promising degree. Many difficulties still remain, and the Lettish Government is much embarrassed by lack of funds.

The necessity of maintaining comparatively large forces, both at the German boundary and at the Bolshevik front, has meant for Latvia a continual drain of man power and money. With the signing of peace with Moscow, Latvia's hands were set free for future development. Though its form of government is Socialistic, its people are quite opposed to Bolshevism, from which it has suffered much. The Letts's virile energy in liquidating the Avalov-Bermondts adventure and in driving the Bolsheviks out of Letgalia are of recent memory. The whole population is united in opposition to the acceptance of the Bolshevik form of Government. The Government is still hampered by the bureaucratic system inherited from Imperial Russia, but this system is gradually giving way to more efficient methods.

Japan's New Difficulties With China

Troops Sent Into Manchuria

JAPAN

THE difficulties of the Japanese Government in China were quite overshadowed in October and November by the anti-Japanese issue in California. During the campaign that ended in the vote supporting a new law forbidding even American-born Japanese to own land in California, the opposition press in Japan waxed violent. Since Nov. 2, however, an obvious quietus has been placed on these newspaper polemics. The Japanese Government and its most eminent statesmen meanwhile expressed the belief that the negotiations at Washington looking toward the conclusion of a new treaty would be successful.

The soreness felt by Japan over the refusal of the world to admit Japan's racial equality was in no way soothed by California's action. According to a Tokio newspaper—the Kokumin Shimbun—the Japanese Cabinet was not disposed to submit this vexed question to the League of Nations; the time for this, in view of the California complications, was not considered opportune; furthermore, Japan desired to forestall any attempt by the League to settle the Shantung problem.

As for Shantung itself, the controversy between Japan and China is no nearer a settlement now than it was after the Japanese diplomatic victory at Versailles. China obstinately refuses to negotiate. What is more dangerous, the Chinese maintain the boycott which has proved to be a powerful club over Japan's head. This movement, said the Mainichi at the beginning of October, especially in Shanghai, is growing in vehemence, with the result that an increasing number of embittered Japanese merchants are returning to Japan. Many of these men declared that, unless some resolute steps were taken by the Japanese authorities, Japanese commercial interests would be seriously undermined.

A new complication with China arose in October. Harassed by the increasing

activities of Korean rebels in Eastern Manchuria, in the region adjoining the Korean and Siberian border, Japan had proposed a joint expedition to suppress further disorders. China, however, insisted on dealing with the matter single-handed, with the result, according to the Japanese, that the rebels renewed their activities, joined hands with Chinese bandits and Russian Bolsheviks, and made a raid (Oct. 2) upon Hunchun, a small border town in East Manchuria; they followed this up by attacks upon various towns in Chientao, where the Japanese Consulate General and its branch office are situated. Japan then laid before the Chinese Government her decision to send a sufficient number of troops to protect the Consulates and the lives and property of Japanese subjects in various towns. Japan's official statement declared that the Chinese Government at first acquiesced (Oct. 9), that three days later Minister Obata received a note in which consent to the proposed expedition was refused. Japan answered that the expedition must be carried out. China protested, emphasized her desire that all Japanese troops be withdrawn, and declared that her own forces sufficed to protect all Japanese subjects. Both Chinese and English newspapers at Peking charged that Japan was taking advantage of the bandit raids as a pretext for the occupation of coveted territory on Possiet Bay, southeast of Hunchun. The bay itself has for some time been occupied by Japanese forces.

Japan carried through her expedition, though the Japanese Government declared officially on Oct. 21 that the troops would be "promptly withdrawn as soon as danger is removed and peace is restored in the province." Early in November Japan decided to withdraw the troops on condition that China would herself take effective measures to maintain order and protect Japanese life and property.

Japan continues to hold Korea with a

firm hand. Eleven persons involved in recent disorders were convicted of conspiracy on Nov. 1, and received sentences varying from one to three years. A few others were acquitted.

Acting on a report of a joint commission of investigation, which demonstrated that Chinese gunboats, by loaning guns to the Russian partisans, had participated in the massacre of Japanese nationals at Nikolaievsk (Saghalin) last Spring, Japan, toward the end of October, called on China to express official regret. She also demanded that the Chinese naval commander apologize to the Japanese commander at Nikolaievsk, that officers and men be punished, and that reparation be paid to the families of those slain. Meanwhile the Japanese occupation of Saghalin continued.

It was stated semi-officially in Tokio

on Oct. 23 that a thorough system of administration, under a Governor, was being planned for the South Sea Islands assigned to Japan in the settlement following the war. There are 700 islands of varying size in this group. The League of Nations Council is expected to work out a detailed scheme for a Japanese mandate over these islands.

The economic situation of Japan is still far from favorable. Decline in import trade has been rapid and extensive; the loss in August alone was over \$17,000,000. A decline in exports—notably silk, the mainstay of Japan's export trade—was noted in August and September. All readjustment measures have thus far proved to be of small practical value. The strangling effect of the Chinese boycott evidently helps to aggravate the adverse conditions.

Famine and Strife in China

Progress of Consortium Loan

CHINA

CHINA'S civil war was marked by new developments toward the end of October. The Peking Government continued to seek reconciliation with the rival Government set up in Canton, South China. An announcement by General Tsen Chun-hsuan, chief of the Canton régime, that this Government had been dissolved, and that the southern provinces of Kwantung and Kwangsi had renounced their independence of the North, was hailed with joy by the Peking Cabinet. A bold step was then taken by the President. A proclamation was issued Oct. 30 declaring that there had been a reunion of North and South China, and calling for the election of a new Parliament on the basis of the old election regulations.

Both the renunciation of the Canton Government and the Peking proclamation, however, were received with angry derision by the "Constitutionalist" Government in the South. This Government had been established by Dr. Sun Yat-sen—first President of the Chinese Repub-

lic—and Tang Shao-li, former members of the Canton secessionist Government, who had revolted against Canton and established an independent "Constitutionalist" régime in the South. This new administration had distinguished itself from the start by its irreconcilable attitude toward the Peking Government, which it continued to denounce as reactionary and pro-Japanese. The Peking manifesto, therefore, which declared that North and South had been "reunited," whipped these unreconstructed rebels to fury, and they at once issued from Shanghai a counter-proclamation, in which they declared that the Constitutionalist Government was still in existence, and that they refused to admit the validity of the President's proclamation. The alleged "unity" they declared, was based upon a peace agreement made by "irresponsible persons," and hence the Peking declaration had no force.

China, continually in difficulties with Japan, torn by civil war, burdened with debts and beset with difficulties from every side, is compelled, in addition, to

face a national catastrophe in the terrible conditions of famine prevailing in four of its richest provinces. The South of Chihli, the whole of Honan north of the Yellow River, and the western part of Shantung, an area the population of which is normally from 30,000,000 to 40,000,000 people, were for many months without rain, with the result of an almost total failure of crops. By October thousands on thousands were reported to be dying of starvation; people were living on leaves and bark; desperate families were selling or drowning their children; famine refugees were trekking over the naked roads to points of relief. The stories told by eyewitnesses were pitiful in the extreme.

Both the Peking Government and the foreign legations took active measures to relieve the famine sufferers. The Chinese Ministries of Finance, Agriculture and Interior appointed a commission to dispense a fund of \$1,000,000 to be raised by means of a short-term loan. Another fund of \$1,800,000 was undertaken by seven of the southern provinces at the instigation of Tang Shao-li, the Constitutionalist leader. Among other relief organizations was a committee created by the American Minister, Charles R. Crane. But, despite all efforts, Famine, the Third Horseman of the Apocalypse, pursued its inexorable course, and made the last half of this year the most miserable that China has had to endure for centuries.

For the first time in history, a Chinese Premier on Nov. 6 granted an interview to Chinese and foreign journalists, and outlined to them the Government's plans for the reorganization of the country. A commission was to be appointed to devise a basis of settlement between the North and South. A truly representative Parliament was to be elected, a Constitution to be drafted, the civil and military administrations to be separated, the policy of reduction of the armies to be continued. China's whole financial system was to be reorganized. The Premier declared, however, that a foreign loan would not be accepted if the conditions infringed China's sovereignty or embraced political considerations.

This plain reference to the Consortium

loan betrayed fears which the financial representatives of the four great powers involved—Great Britain, France, Japan and America—had taken special pains to allay. The initial meeting for the final organization of the loan was held in New York City on Oct. 11. Delegates from each of the four countries assembled in one of the large conference rooms of the Chamber of Commerce Building to discuss the ways and means of rehabilitating China financially. The delegates were as follows:

Japan—M. K. Takeuchi, R. Ichinomiya.
Great Britain—Sir Charles Addis, S. F. Mayers, R. C. Witt, W. E. Leveson.

France—René de la Chaume, Henri Nazot, Georges Picot.

United States—Thomas W. Lamont (J. P. Morgan & Co.); Mortimer L. Schiff (Kuhn, Loeb & Co.); James A. Stillman (National City Bank); Charles H. Sabin (Guaranty Trust Company); Albert H. Wiggin (Chase National Bank); Frederick W. Allen, (Lee, Higginson & Co.); John Jay Abbott (Continental and Commercial Trust and Savings Bank of Chicago); Charles F. Whigham (Morgan, Grenfell & Co., London); J. Ridgely Carter (Morgan, Harjes & Co., Paris); Frederick W. Stevens (recently appointed American representative of the American group of bankers in China.)

The discussions were continued until Oct. 15. A resolution officially welcoming the co-operation of Chinese capital in the development of China's public enterprises was passed at the session of Oct. 13. At a public dinner held on the same day Sir Charles Addis emphasized the point that without the consent and good-will of China the proposed Consortium would be powerless to act, and had no desire to act. He emphasized this point, he said, because of the persistent and erroneous reports that the Consortium was anxious to supply China with funds in order to obtain a hold upon the territories of China or to impair her sovereignty. The object was to enable China to stand upon her own feet. Any pressure exerted would be negative, consisting only of the withholding of funds. If this induced China to reduce her military forces, already far in excess of her requirements and accounting for fully one-half of the entire revenue of the country, said Sir Charles, it would be a valuable accomplishment.

Mr. Lamont, the American banker, pointed out that the Consortium had been initiated by the Governments of the four countries involved, and not by the bankers of those countries, and said that the bankers had agreed to lend their efforts to help China as a patriotic measure. He also stated that no specific loan was being contemplated as yet, but that the Consortium machinery was being set in operation.

The formal work of organization was completed by Oct. 15, but the delegates remained in New York for another week in order to hold informal meetings with the Chinese representatives, who did not arrive until after the conference had closed. The signing of the Consortium agreement, which embodied a construc-

tive program, marked the first step in the plan for the assistance of China. The real progress of the Consortium will be largely determined by the work of the representatives at Peking. Frederick W. Stevens, the American representative, was to sail early in November. Before adjournment of the conference, the application of Belgium to be admitted to the Consortium was granted, subject to the approval of the respective Governments.

Dr. V. K. Wellington Koo, Chinese Minister to the United States, sailed at the end of October for London, to take up his new duties as Chinese Minister to Great Britain. In a message of farewell to the American people he paid tribute to the benevolent interest of the United States in the welfare of China.

Mexico's Efforts for Recognition

Rapid Return of Law and Order Since Carranza's Overthrow— Desire for Friendly Relations

MEXICO

EVERY effort consistent with her national dignity is being made by Mexico to obtain recognition of the new Government by the United States before the Harding Administration assumes power. As this is a matter of negotiation between the State Departments in Washington and Mexico City, they will have three months to perfect the details. General Obregon becomes President of Mexico on Dec. 1 and President Harding will not take office until March 4. George Creel, formerly Chairman of the American Bureau of Public Information, unofficially sounded President de la Huerta on the subject of recognition. Mexican newspapers stated that Mr. Creel had suggested conditions on which it might be granted, but the acceptance of recognition with conditions attached was declined. After a stay of three days in the Mexican capital Mr. Creel returned to Washington.

Roberto V. Pesqueira, Mexican financial agent in New York, arrived in Washington on Oct. 21 as the con-

fidential agent of the Mexican Government. In a letter to the Secretary of State, Oct. 26, he asked for recognition of Mexico and resumption of official relations by the United States. He said there was peace throughout the republic, that Mexico was prepared to recognize all rightful claims and was willing to place her international relations on a solid foundation by agreeing to the arbitration of any differences. He denied that Mexican laws were retroactive and confiscatory. Secretary Colby replied on Oct. 29, stating that Señor Pesqueira's letter offered a basis on which preliminaries to recognition could proceed, adding: "The Mexican question will soon cease to be a question at all."

Preparations were at once made for an exchange of protocols by formally reducing to writing the reciprocal terms and conditions for granting recognition. The Governors of Texas, Arizona and New Mexico telegraphed to President Wilson assuring him of their faith in the stability, honesty and sincerity of the Mexican Government. A statement was

issued by Gomez Morin, Secretary to the Minister of Finance, declaring that all the railroads were running without military protection and furnishing transportation at reasonable cost. Crops were increasing, factories opening and new banks being started. Mines could be worked without fear of raids by bandits. Travel was safe in any part of the country.

Mexico's recovery, since the downfall of Carranza, has been so rapid that the country is at peace throughout, and the military policy of the Government toward armed opposition is so effective that the likelihood of any rebel movement of importance is greatly diminished. Crime has decreased, too, to such an extent that on Nov. 6 the Mexican officials in Washington issued a statement that Oct. 29 was a crimeless day in Mexico City, not a crime being committed nor a single arrest made for an infraction of the law, although the capital has more than a million inhabitants.

General arbitration was suggested by the State Department in the protocol negotiations, so that if a claims commission were created to settle demands by foreigners for redress of injuries to either persons or property suffered in Mexico since the overthrow of the Diaz régime it would adjudicate all claims and not merely those of United States citizens. Mexico, however, is not waiting for recognition to adjust some claims. On Nov. 1 it was announced that Mexico had agreed to a settlement with the British Government for the murder of William Benton, a British subject, on Feb. 17, 1914, by some of Villa's men, promising to pay \$10,000 cash to Benton's widow, a Mexican woman, and a daily stipend of \$2.50 as long as she remains a widow.

The Benton case is said to have been the chief reason for Great Britain's withholding recognition from Mexico. Now that it is settled, favorable action is expected. Felix Palavicini, Mexican envoy, according to a dispatch from Venice, said that when he visited London in July the British Government notified him in writing of its intention to resume diplomatic relations upon the inauguration of President Obregon. Miguel Covarrubias, in

London on a Government mission, stated on Nov. 5 that British recognition of Mexico was expected to follow soon after that by the United States.

On the other hand, despite this outlook for peace, there are not wanting persons who predict war. Excelsior, a leading newspaper of Mexico City, published an interview with William Buckley, a prominent lawyer connected with American oil interests, in which he was quoted as saying that Mexicans were living in a fool's paradise, as the Republican Party would use force to make Mexico pay her debts and also American losses. Mr. Buckley was further quoted as saying that, although the anti-American Government had passed from power, it had left its policy embodied in the Constitution of 1917, which accepted the plan of Agua Prieta without eliminating obnoxious provisions. Foreigners, he says, cannot own real estate outside a city, and he interprets the laws as meaning that foreigners cannot acquire oil rights or mineral rights without forming a Mexican company.

President-elect Harding, who spent a few weeks on the Texas border, refused to interest himself in a proposal for meeting President-elect Obregon. On Armistice Day, after the ceremonies at the Brownsville parade ground, he was asked directly by a delegation of Mexicans from Matamoras to visit Mexico, but declined. In his speech, which was delivered on the spot where Zachary Taylor gathered his troops for an advance on Mexico in 1846, the President-elect declared: "I like to think of an America whose citizens are ever seeking the greater development and enlarged resources and widened influences of the Republic, and I like to think of a Government which protects its citizens wherever they are." The significance of this sentence was not lost on the border audience. Senator Fall of New Mexico, a consistent opponent of friendly relations with Mexico, joined Senator Harding's party for the trip to Panama.

General Obregon on Oct. 26 was formally declared President for the term beginning Dec. 1, in the canvass of returns by the Mexican Congress, having received 1,131,751 votes, against about

47,000 for Robles Dominguez and 2,357 scattering. Invited to appear before the Congress, he attacked the Agrarian bill then under consideration by the House as a mistake, tending to break up large holdings before creating a class of small land holders. This, he said, might bring on a famine, because the majority of small agriculturists had continued rudimentary methods to such an extent that they were unable to compete with those of other countries. There was plenty of land in Mexico for all, and he favored a law giving to every capable man the right to become a land holder and fixing a maximum area. He pointed out the necessity of encouraging modern methods of agriculture.

General Obregon, who was enthusiastically received during his Texas tour, in a speech at El Paso declared that, although Mexico had not been officially recognized by the United States Government, he felt sure she was recognized by the American people. On the eve of his return from Dallas on Oct. 17 he declared Mexico would recognize all legal foreign debts and all legal rights of Mexicans and foreigners alike. He did not think Mexico should look for a foreign loan until she had made the way clear to pay present obligations. His visit was returned by an excursion of several hundred business men from Texas.

Mexico showed her good-will by the prompt trial and execution on Nov. 3 of a bandit concerned in the murder of two Americans, Arthur L. Mosely of Bay City, Texas, and Gustave Salazar, a naturalized citizen, in the Tampico oil fields on Oct. 25. Not since the days of Diaz has there been such prompt punishment. Other Mexicans, including Guadeloupe Gonzales, were under arrest charged with complicity in the crime.

Manuel Lascano, a member of the Chamber of Deputies of the State of

Tabasco, was accused by Captain José Torres of publishing a libel against him when they met on a street in San Juan Baptista, the capital, on Oct. 25. Torres fired at Lascano, who returned the shot, killing the Captain. Lascano fled to the Capitol. The Governor, Carlos Green, ordered a squad of soldiers to bring him back, dead or alive. The soldiers entered the legislative chamber, the presiding officer refused to surrender the Deputy, and the soldiers fired a volley, killing Lascano and another Deputy, Alberto Camara, and wounding the President, a woman spectator and two employes. The Governor placed the city under martial law. The National Senate found the Governor responsible for the shooting and declared his office vacant. He was arrested on Oct. 27. Rioting between Socialists and Liberals in the election campaign in Yucatan cost 158 lives before the factions were disarmed by Federal troops.

The labor situation has been increasingly threatening, especially in Vera Cruz, where military forces in Coatepec, near Jalapa, capital of the State, revolted and Government troops were sent from Vera Cruz City to subdue them. A strike of 12,000 coal miners in Coahuila threatened to throw out of employment more than 100,000 men dependent upon the coal supply in that State. On Nov. 4 the Government began operating some of the mines, promising to return them when owners and employes reach an agreement. Some of the mines on Nov. 9 were reported to be flooded and unworkable for two months. American, British and French mining companies planned a protest against State operation and, it was said, intended to take the matter to the courts. The American Embassy informed Washington that in operating the mines the Mexican Government did not contemplate confiscation of the property and would turn over all profits to the owners.

Other Latin-American Republics

Secretary Colby's Official Mission

SOUTH AMERICA

PRESIDENT WILSON on Nov. 9 announced that he had directed Bainbridge Colby, Secretary of State, to visit Brazil and Uruguay and return the recent visits their Presidents had made to the United States; also to accept the invitation of the Argentine Government to visit Buenos Aires. It was expected that he would leave about Nov. 17 on his mission, which will undoubtedly increase the cordial feeling aroused by the visits of Dr. Baltasar Brunn, now President of Uruguay, in August, 1918, and of Epitacio Pessoa last year.

Total trade of the United States with Latin-American republics for the year ended June 30 amounted to nearly \$3,000,000,000, according to the Bureau of Domestic and Foreign Commerce. Approximately 59 per cent. of this trade was represented by imports. Compared with the year ended June 30, 1914, imports from Latin-American countries show an increase of 375 per cent., and the exports are nearly 400 per cent. greater. A considerable part of this increase is due to advances in price, but the volume, too, has greatly increased, especially in exports.

American bankers are concerned over the Latin-American situation, the recent rise of the dollar automatically lowering trade of the United States. Argentine, Peru and Brazil are endeavoring to negotiate loans to restore the normal exchange.

ARGENTINA — Leading Argentine importers met in Buenos Aires on Oct. 20 and agreed to limit to absolute necessities future imports from the United States until there was an improvement in the rate of exchange, which then was 127½. It has since risen to 133. Conditions being still worse in Europe, Argentine trade is becoming diverted there, where purchases can be made cheaper than in the United States.

A shortage of bread is reported in Ar-

gentina, and mills are closing for lack of grain. On account of heavy taxes on liquors, tobacco and playing cards in the State of Cordoba, all the retail storekeepers decided to close their shops on Nov. 15 and keep them closed until the law is annulled. Labor troubles have been reported in Cordoba, Chaco and Central Argentina, a number of persons being killed in clashes between police and strikers.

The long-pending commercial travelers' treaty between the United States and Argentina was finally signed in Washington on Oct. 22; the clause prohibiting liquor salesmen from one country to operate in the other was inserted at Argentina's request. Similar treaties have been signed with Uruguay, Paraguay, Venezuela, Panama, Salvador and Guatemala.

Compulsory farming is provided for in a bill introduced in the Chamber of Deputies with the idea of forming an economic army to be composed of the youth of Argentina who are not called into the army and navy under the conscription law.

Argentina has been having a graft investigation, and has found that 5,500,000 pesos were unduly disbursed to contractors in building the Capitol in Buenos Aires. It was begun in 1897, and was to cost 10,000,000 pesos. It has cost so far 27,000,000 and is not yet finished. Charges are made that marble was paid for but concrete used in part of the construction of the "Palace of Gold," as the newspapers call it.

BOLIVIA—France recognized the Provisional Government of Bolivia on Oct. 26. President Bautista Saavedra on the same day announced that those who had left the country because of political troubles were free to return.

BRAZIL—King Albert, who recently visited Brazil, has been made a Marshal of the army and a commercial and financial agreement has been signed with Belgium as a sequel to his visit. Former

Premier Orlando of Italy, who was made Ambassador to Brazil, arrived in Rio Janeiro on Oct. 20. His first task will be to straighten out the complications caused by d'Annunzio's seizure at Fiume of the steamer *Cogne*, which carried a cargo consigned to Brazil. The Brazilian firms are clamoring for indemnity.

CHILE—Alexander Johnson, the Swedish millionaire shipowner and President of the Johnson Line of steamers, arrived at Valparaiso on Nov. 4 on one of his own vessels and announced plans for fortnightly sailings between Sweden and Chile. The Swedish Council of State has approved a convention for friendly arbitration of any future differences between Chile and Sweden. It provides that no dispute will be submitted to the Council of the League of Nations without its having been previously examined by a permanent commission of conciliation named by the two countries. Dr. Otto Nordenskjöld, the noted Swedish polar explorer, arrived at Santiago on Nov. 12, accompanied by geographical experts, to make scientific observations in Southern Chile.

COLOMBIA—Low prices paid for coffee in the American markets have produced financial stringency in Bogota, but no moratorium is contemplated. The Department of Antioquia is enjoying exceptional prosperity from an unusual production of gold. The Government takes the entire output, mints it into Colombian gold coins, buying bills on New York at the prevailing rate of exchange and thus Antioquia pays for all commodities in gold, although in other parts of the country paper money is the ordinary medium of exchange.

ECUADOR—Elia Liut, an Italian aviator, made the first flight over the equatorial Andes on Nov. 3, reaching an altitude of 19,000 feet in a journey from Guayaquil to Cuenca.

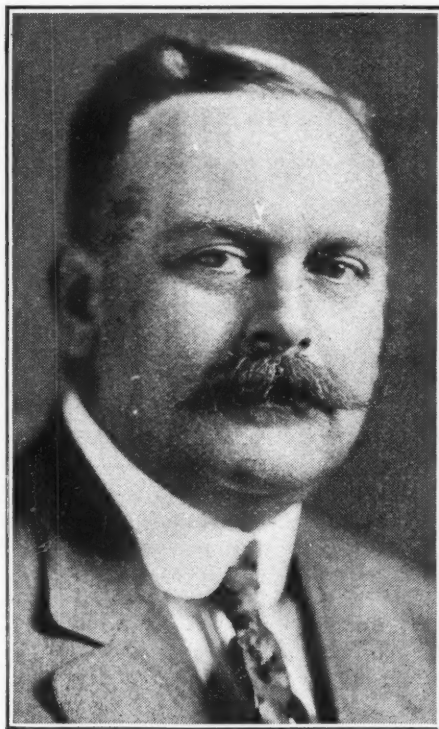
PERU—Efforts to overthrow the Government of President Leguia of Peru on Nov. 10 failed. The revolt was led by armed forces of ex-President Pardo. Two Justices of the Supreme Court, two Senators and several Deputies were ar-

rested. The conspiracy was to culminate in an attack upon President Leguia during a dinner given in his honor at the Union Club in Lima. The police maintained order.

VENEZUELA—The revolt, referred to in **CURRENT HISTORY** for November, headed by General Juan Pablo Penaloza, who invaded the State of Tachira from across the Colombian frontier, failed after two weeks of guerrilla warfare and he retired with his troops across the border.

CENTRAL AMERICA

Municipal representatives of Costa Rica, Guatemala, Honduras, Nicaragua, and Salvador met in Antigua, Guatemala, on Nov. 1 and, after a conference lasting ten days, issued a proclamation urging the advisability of uniting the five States in one government for all Central America. Unionists in Guatemala



JULIO BIANCHI
Newly appointed Minister from Guatemala
to the United States
(© Harris & Ewing)

and Salvador in convention adopted resolutions favoring a single government to be presented at a meeting of representatives from all the States to be held at San José, Costa Rica, early in December. The Salvadoreans propose that if all five republics are not able to enter the proposed union at once, a union may be formed by those wishing it and the other States may be admitted later. Establishment of wireless telegraph systems, equal customs tariffs, unification of coinage, weights and measures, and the organization of coastwise shipping trade will be considered.

GUATEMALA—It was announced in Washington on Oct. 30 that a request would soon be made to the United States to use its good efforts to obtain the release of Estrada Cabrera, former President of Guatemala and imprisoned there as the outcome of the revolution. If granted, it was said Cabrera would come to the United States.

HONDURAS—Reports of revolutionary disturbances at Ceiba, on the northern coast of Honduras, were current in October. President Gutierrez declared

martial law in that part of the republic, and some United States warships went there to protect American interests.

NICARAGUA—It was announced on Oct. 25 that Diego Manuel Chamorro had been elected President of Nicaragua. Supporters of José Andres Urtecha, his opponent, claimed frauds in the election, although the polls were guarded by American marines.

PANAMA—A submarine disturbance has forced up a ridge of rock just north of Manzanillo Point, east of Colon, reducing the ocean depth from 500 fathoms to about forty feet. Shipping has been warned that in traveling to or from the entrance to the Panama Canal vessels should pass close to the north coast of the Isthmus or else take a more northerly course.

Panama maintains sovereign rights over territory upon which American wireless stations were erected, according to Secretary Alvaro of the Department of Justice. The decision arose over the arrest of an American operator on a charge of shooting and wounding a citizen of Panama.

Events in the West Indies

Zayas Elected President of Cuba

BRITISH colonies in the Western Hemisphere are gradually surrounding the United States on three sides by a cordon of freer trade States from Vancouver to Belize by recent agreements with Canada for preferential tariffs, reducing duties among themselves and raising those on foreign goods. The British preference averages 50 per cent. The new schedules went into effect in British Honduras on Oct. 12. The Bahama Legislature on Oct. 18 passed a bill increasing tariff preference in favor of Canada 10 to 25 per cent. Jamaica took similar action. Trinidad admits free of duty all foodstuffs and cattle feed produced in the British dominions, also British-produced machinery, certain cotton goods and glass-

ware. The duty on imports is assessed at exchange rates, which places American goods at a serious handicap owing to the high rate of exchange.

CUBA

Dr. Alfredo Zayas, candidate of a political coalition, was elected President of Cuba on Nov. 1. He had a large majority outside of Havana province, which overcame the vote given in the capital district for his opponent, General José Miguel Gomez, the Liberal candidate. Gomez made a fine military record in the Cuban revolution, but after the establishment of the republic showed a disposition to prefer his own policies to the will of the majority. He was a leader in the rebellion against Palma, which

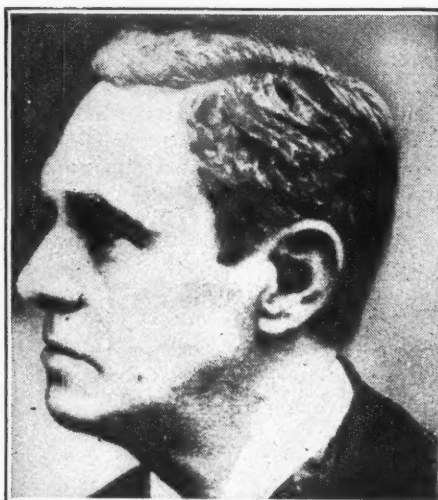
ended in America's second intervention, and was President from 1909 to 1913. He was followed by the present incumbent, Mario G. Menocal, who was re-elected in 1916, and whose second term will end on May 20, 1921. In February, 1917, Gomez headed a brief uprising against Menocal, head of the Conservative Party, who early this year announced that he would not be a candidate for a third term. This left the leadership of the party to General Rafael Montalvo, former Secretary of Government, who was nominated for President last Summer by the Conservatives.

The Liberal Party meanwhile was split into two factions, one favoring Gomez for President, the other headed by Zayas. Gomez won and received the Liberal nomination. The Zayas faction would not submit, and the Conservatives feared that Gomez would defeat Montalvo, so the latter was thrown over and his party joined the dissatisfied Liberals in support of Zayas. The situation was like that in the United States in 1872, when the Democrats nominated Horace Greeley, a Republican, for President against Grant, with the difference that, whereas Greeley lost, Zayas won the election. Rumors that Gomez would attempt to resist were started but regarded as unlikely. As a precautionary measure, President Menocal issued a decree against carrying arms.

The moratorium, proclaimed on Oct. 10 to avert a panic owing to the tying up of bank funds by loans on sugar at high prices, ends on Dec. 1, and Cuban and American financiers have been discussing means to prevent a renewal. A conference was announced to be held in New York, and the expectation was that a loan would be arranged.

Politics and the moratorium together have caused a great exodus from New York of Cubans who intended to pass the Winter in the metropolis, most Cubans finding it advisable to return home to straighten out their finances. At the same time Americans in search of a warmer climate for the Winter are fleeing their own cold, "dry" land to such an extent as to make it difficult to get berths on outgoing steamships weeks

ahead. An aerial mail and passenger service between the United States and Cuba was started on Nov. 1 from Key West.



DR. ALFREDO ZAYAS
New President of Cuba

HAITI

The naval court of inquiry appointed by Secretary Daniels to investigate the killing of natives by United States marines held its first Haitian sitting on Nov. 10 at Port-au-Prince. Rear Admiral Henry T. Mayo is Chairman of the board. Major Thomas Turner, Adjutant of the First Division of Marines, gave the number of rebels and bandits killed since Oct. 1, 1919, as 1,132. He estimated the total number of bandits in the field as 17,000, but never operating simultaneously. There were 298 encounters with marines and nearly 8,000 natives have surrendered, been rehabilitated and gone to work.

Ludré Dartiguenave, President of Haiti, testifying on Nov. 11, declared he had no official knowledge of indiscriminate killing of natives by United States marines. The matter was one of common report from many places. The Haitian people, he said, rejoiced at the coming of the Americans, expecting liberty, prosperity and respect for their persons and property. But compulsion

of road labor was practiced, despite advice by the counsel of the Government. This gave rise to discontent, which led to the revolt of cacos or bandits. The treaty, he said later, had been violated and not carried out because Haiti had been under the oppression of the American Minister and his financial adviser.

Rear Admiral Harry S. Knapp, who was sent to Haiti by the State Department on a special mission of investigation, reported that "all the good accomplished in Haiti as a result of American intervention will be lost, if the United States withdraws its military forces, for a great many years to come." The country, he said, was now peaceable and as a result of the administration of the customs by an American receiver general hundreds of thousands of dollars had been saved to the Treasury.

John A. McIlhenny, American financial adviser in Haiti, has suggested a loan for \$15,000,000 to take advantage of the present low rate of exchange in Europe, especially in France, where the franc has fallen two-thirds of its value, to pay off Haiti's foreign indebtedness

abroad. The State Department has decided to favor it and has presented a plan for the loan to the Haitian Government for formal approval.

SANTO DOMINGO

Dr. Reynolds B. Hayden, head of the Public Health Department in Santo Domingo, reports that \$657,000 has been expended there this year for sanitation as against \$30,000 by the native Government in 1916. The 1921 estimates indicate a million-dollar budget. A decrease in the death rate and disease is noted. Tax receipts have been sufficient to put conditions on a sound basis and begin payment of the bonded indebtedness. Dominicans are being employed in the Sanitary and Health Departments with a view to training a personnel which can carry on the work after American withdrawal. Fabio Fiolla, a Dominican journalist, who was held by the American military authorities on account of newspaper articles written by him, has been provisionally placed at liberty. His arrest caused adverse comment throughout Latin America.

Canada and the Treaty-Making Power

By W. L. EDMONDS

THE British Imperial Government, late in October, sounded the opinion of the Canadian Cabinet regarding terms and conditions of the proposed new Anglo-Japanese treaty. The object was, of course, to ascertain the Canadian viewpoint before the treaty is finally drafted, in order that no obstacles may be encountered when it is submitted to the Dominion Parliament for acceptance or rejection.

There was a time, a generation or more ago, when this procedure would not have been followed. Those were the days when the Imperial Government was the sole arbiter. It made the treaties, and Canada, as well as the other colonies, had to abide by the decision. Even were the colonies directly concerned, they had no voice in the drafting process. Two

outstanding instances of this were the Belgian and German treaties of 1862 and 1865, respectively, notwithstanding that they stipulated that the produce and manufactures of these two countries "shall not be subject in the British colonies to other or higher duties than those which are or may be imposed upon similar articles of British origin." In other words, while the colonies were not enjoined from entering into commercial treaties with each other, they were prevented from according Great Britain preferential tariff treatment.

Canadians who favored a preference to British imports long chafed under this disability, and at the imperial conference of 1894 their cause had the backing of a resolution asking the Imperial Government to take steps to remove it. But

Lord Ripon, at that time Colonial Secretary, was obdurate. "Such denunciation," he declared in a State document to the Governor General, "would be a 'step of the greatest gravity, and whilst 'her Majesty's Government are fully 'alive to the desirability of removing 'any treaty stipulations which may 'hamper the action of the colonies in 'regard to trade relations, they consider 'that the advantages to be derived from 'such a step should be very clearly 'shown to outweigh the disadvantages 'before it could properly be resorted to." And then he proceeded to show why it could not be advantageous to Great Britain by pointing out that, while the British exports at that time to all the self-governing colonies only amounted to £35,000,000, those to Germany and Belgium alone aggregated £41,000,000.

This decree was issued in 1895, but two years later the Laurier Administration practically cut the Gordian knot by the British preference which it placed on the statute book, leading as it ultimately did to Great Britain's notifying Germany and Belgium of its desire to abrogate the offending treaties. Notice of the abrogation was given in June, 1898.

Since the British Government has made it the custom, in the negotiating of treaties with foreign powers, to make it optional for the Overseas Dominions to become parties thereto, Canada has in most instances refused to accede. For instance, out of thirteen treaties entered into by the imperial authorities between 1880 and 1895 the Dominion only acceded to two. Since then Canada has also acceded to the Anglo-Japanese treaty, which, after a year's renewal, will expire in June, 1921, when the revised text now being drafted is due to come into effect.

The right of Canada to make commercial treaties with other countries within the British Empire has long been recognized by the imperial authorities. Being an integral part of the empire, the right to make separate and independent treaties with foreign powers has never been demanded by any Canadian Government, although individual politicians have at times urged it. At the meeting of the imperial conference in Ottawa in

1894 the subject came in for some discussion, but the idea was not favorably entertained. "I am of the opinion," said Sir George Foster, who was one of the Canadian representatives, "that so long 'as the colonial relation exists the 'power to negotiate our own treaties 'while we are a part of the empire is 'unreasonable and impossible. I think 'it would be the deathblow to unity. I 'am entirely at one, and so are the 'people of Canada, as well as the Par-'liament of Canada, with the sentiment 'that, as we are all parts of one coun-'try, and we are under one Imperial 'Government, the imperial power must 'negotiate with regard to these 'treaties." With this sentiment there was a general concurrence on the part of the delegates from other parts of the empire.

But, though Canada has not the right of direct and independent negotiation with foreign powers for the purpose of creating treaties, she has—since 1884, or six years after she was accorded the right to decide whether she should be included in any treaty made by Great Britain—possessed the authority to hold direct negotiations with foreign countries through her own agent, acting in conjunction with the British Ambassador. In fact, the instructions went so far as to permit the Canadian representative to carry on the negotiations alone, the only string attached being the stipulation that when the convention had been successfully negotiated it should carry the signature of the British Ambassador as well as that of the Dominion's plenipotentiary.

But even as far back as 1871 a substantial step in this direction had been taken by the Imperial Government, when it appointed Sir John Macdonald as one of the British plenipotentiaries to the convention which led to the creation of the Washington treaty, a treaty which would undoubtedly have been detrimental to Canadian interests but for his presence. The proof of this is to be found in the letters which Sir John wrote to his fellow-Cabinet Ministers, and which were published after his death. "I must say," he records in one

of these letters, "that I am greatly disappointed at the course taken by the British Commissioners. They seem to have only one thing in their minds—that is, to go home to England with a treaty in their pockets, settling everything, no matter at what cost to Canada."

As to the ultimate outcome of that further extension of Canada's rights in dealing direct with foreign powers, as implied in the proposal to appoint a Minister Plenipotentiary at Washington, the situation is at the moment somewhat clouded. The right to take this step has already been accorded by the Imperial Government, and the Canadian Parliament at its last session passed the necessary legislation authorizing the Dominion Government to make the appointment. There was considerable opposition to the bill, however, on the part of certain Liberals in the House, the contention of the malcontents being that the presence at Washington of a Canadian Minister Plenipotentiary might lead to friction with the British Ambassador. A further cause of the opposition of a section of the Liberal Party in Parliament was the refusal of the Government to lay on the table of the House all the correspondence with the British and American Governments on the subject.

Since the empowering legislation was passed by the Canadian Parliament, Sir Robert Borden, the Premier, and Hon. N. W. Rowell, head of the Department of External Affairs, both of whom were strong protagonists in favor of the innovation, have retired from the Government, thus to some extent weakening

the ranks of those in the Cabinet who are advocates of the appointment of a representative at Washington clothed with ambassadorial power. But this does not appear to be the only cause of delay. In the first place there seems to be some difficulty in securing the right kind of man for the position. Canadians would not be satisfied with the appointment of a third-rate politician. Recently the name of Sir Robert Borden has been mentioned in connection with the office. It is generally understood that about a year ago he was offered by the Imperial Government the British Ambassadorship at Washington. That his appointment as Canadian Minister Plenipotentiary at Washington would meet with the approval of the people of the Dominion there can be no doubt. Still another cause of delay is said to be Australia's opposition to the idea that Canada, through the presence at Washington of a Minister Plenipotentiary, should be accorded a standing at the American capital superior to that enjoyed by other British overseas dominions.

It is quite possible, according to gossip current in political circles at Ottawa, that in the meantime a sort of glorified trade commissioner will be appointed to go to Washington instead of a Minister Plenipotentiary, who, according to the arrangement with the Imperial Government, was to fulfill the duties of the British Ambassador in the absence of the latter. That Canada will, however, ultimately have at Washington a representative clothed with plenipotentiary powers there can scarcely be any doubt. It is concomitant to the national development of the Dominion.



FINANCIAL CONFERENCE AT BRUSSELS

Summary of Important Conclusions Reached at the World Congress Called by the League of Nations

THE International Financial Conference, announced in the official bulletins of the League of Nations as "the first gathering of the important nations of the world since August, 1914," began at Brussels on Sept. 24 and ended on Oct. 8, 1920. All the nations of the world were represented, both members of the League and those not yet admitted, including Germany, Austria, Hungary and Bulgaria, and those who have not yet ratified the peace treaty—Luxemburg, Finland, Latvia, Esthonia and Lithuania. The only nations not represented were Turkey, with whom peace had not been signed when the first official invitations were issued, and Soviet Russia, whose Government has not been recognized by the world at large.

First steps toward the organization of an international credit system, an international clearing house, and a permanent body for distributing information about the financial situation of the different countries, were the tangible achievements of the conference. Resolutions passed by a plenary final session contained many recommendations to the struggling post-bellum nations, pointing the way toward ultimate rehabilitation.

The delegates met in the Salle des Séances of the Belgian House of Parliament under the Presidency of M. Ador, ex-President of Switzerland. Twenty-four States were represented, and twelve others, including Germany and her former allies, had delegates present. The United States was unofficially represented by Mr. Roland W. Boyden, an American financial expert, to whom explicit instructions were given to attend only as an observer.

The hearing of reports on the post-bellum and present financial condition of all the nations represented was a long and tedious operation, lasting for several days. Some of these reports, however, were of extreme interest, and others were

startling in their revelation of economic breakdown and financial powerlessness. The cumulative effect of the dark pictures painted by so many nations was depressing. A few, however, had a more cheerful story to tell. The financial situation of Denmark and Holland, though none too brilliant, was tolerable. The economic situation of Great Britain and her dominions—Canada, Australia, New Zealand, South Africa and India—was good, if not excellent. All these States foresaw a rapid cancellation of the debts incurred in the war, and Great Britain had already begun her payments. The report of Japan was, on the whole, favorable. China's report came in striking contrast, with its exposition of heavy foreign debts and internal demoralization. The South American countries, Peru, Uruguay, Argentina, Brazil, made the best showing of all. Despite her gold reserves, Spain declared that her financial situation, especially regarding her budget, was unsatisfactory, even "alarming," and the report of Portugal showed a bad state of affairs. Luxemburg's delegate said that his country could get along if furnished with German coal and French ore.

GLOOMY PICTURES DRAWN

Many other countries, however, had a lamentable tale to tell. Italy, Rumania and Greece set forth their extreme difficulties, caused by the crushing obligations of national defense, the reduction of production and the devastation of territories. The national debt of all three countries had been enormously increased by the war. Italy reported a budget deficit of 7,437,000,000 lire, and her debt had increased from 15,960,000,000 to 93,728,000,000. The taxes had been quadrupled, and the value of Italian currency had fallen greatly, while the exorbitant prices of foreign products greatly aggravated the situation.

Of the Baltic States, Lithuania implied

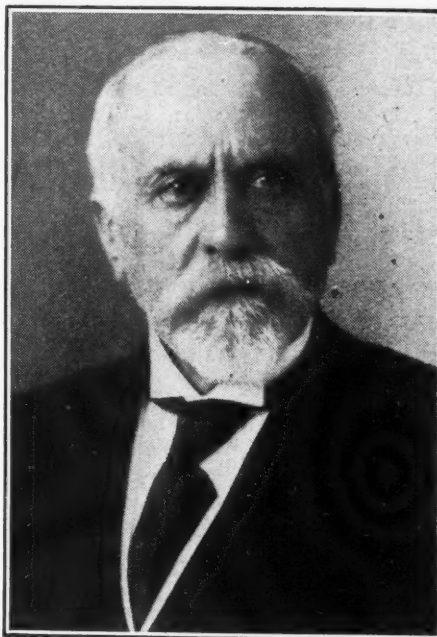
that she had avoided a social crisis by expropriating and distributing the land. Poland, however, whose spokesman was M. Grabski, the Polish Finance Minister, brought some terrible figures before the conference. Three times as much had been borrowed by Poland this year as last, twenty-five times as much was spent on war as on reconstruction, and though the taxation initiated was crushing, it covered only a small part of the whole expenditure. The report of devastated Armenia was unexpectedly favorable, and though her delegate emphasized her difficult political and economic situation, he declared that the country was rich and fertile; that it had no exterior debt, and that it owed in all only \$10,000,000. The Hungarian delegate stated that Hungary had a heavy burden, but that the Government was striving to cope with the situation by issuing forced loans and establishing a tax on capital. Bulgaria painted a dark picture of her financial status.

BELGIUM AND FRANCE

Special interest attached to the reports of Belgium, France and Germany. M. Lepreux, the Belgian delegate, gave a moving description of the devastation wrought by the German forces in Belgium. He then set forth the great efforts made by Belgium since the German evacuation to restore its ruined towns and industries. His country, said M. Lepreux, was basing its future on hard work. It needed, however, foreign financial aid. Its public debt had leaped from 5,000,000,000 francs to 22,000,000,000, owing to the forced tributes wrung from it by Germany. It was striving to reform its fiscal system and to increase its tax income. Of its extraordinary budget of 6,500,000,000 francs, at least 6,000,000,000 were for war expense. Its exports were increasing. On the whole, the report of Belgium was more favorable than had been expected.

The report submitted by M. Cheysson for France made a deep impression. With no attempt at oratory, the speaker set forth the naked facts. To balance her war costs, France had raised her taxation from 129 francs per capita in 1913 to 574 francs today. Every form of sub-

sidy had been suppressed. The official figures showed that some 7,000,000 acres of French soil had been destroyed; that 12 per cent. of the French population was ruined; that 10 per cent. of French agricultural production had been wiped out; that the country had lost 74 per



GUSTAVE ADOR

*Former President of Switzerland, who presided at the Brussels finance conference
(Press Illustrating Service)*

cent. of its revenue in coal, 92 per cent. of its revenue in iron and from 70 to 80 per cent. of its linen and cotton goods. Against this the French report showed that 77 per cent. of the factories destroyed were working again in whole or in part, and that 66 per cent. of the ravaged territory was under cultivation. Of 590,000 French homes damaged by the war, 290,000 had been entirely destroyed. For reconstruction the country had to borrow the fantastic sum of 21,456,000,000 francs, and the total public debt in July, 1920, amounted to 235,739,000,000 francs. Yet, by dint of the greatest sacrifices, France, who had suffered more than any other nation in the war, was meeting her obligations and balancing her involved accounts; all she needed, it was implied, was the payment to her of her

just dues for reparations, reconstruction and rehabilitation.

REPORT OF GERMANY

M. Bergmann, the German Secretary of State, reported on the financial situation of Germany. He did not depict the situation as desperate, but expressed the German hope that the country would regain its economic balance and gain the ability to meet its heavy obligations. Germany's financial decline was shown in the fact that the national debt of the empire had risen from 5,000,000,000 marks before the war to 240,000,000,000 marks. The Government's budget for 1920 put receipts at 40,000,000,000 marks, leaving a deficit of 39,000,000,000. Exports exceeded imports, but the balance of trade, due to the depreciation of the mark, was 22,000,000,000 marks for 1919. The unfavorable financial situation was reflected in the steadily growing paper circulation. The fact that the amount of reparations had not been fixed by the allied nations made the drawing up of any budget extremely difficult. The enormous difficulties involved in the fulfillment of the Versailles Treaty were frankly emphasized.

The delegates were much impressed by a short address delivered by the American unofficial delegate, Mr. Boyden, who, speaking wholly in his own name, warned the conference that Europe could not look to the United States for aid in its future rehabilitation until the disunion, enmities and rivalries were smoothed out, and urged the fostering of a spirit of solidarity and the marking off of old scores.

To expedite results, the conference appointed at its session of Sept. 27 a committee to draft resolutions embodying the sentiments of the conference on questions relating to public finances. Mr. R. H. Brand, Vice President of the conference, classified these questions into four categories:

1. Equilibrium of budgets, reduction of expenditures, limitation of governmental functions, reduction of armaments, elimination of subsidies and selection between direct and indirect taxation on capital.
2. Necessity of limiting loans to real productive purposes.

3. Funding of external debts, with a fixed date of redemption.

4. Advisability of internal and international trade restrictions.

Other committees were appointed to study and draft resolutions on International Trade, International Credits, and Currency and Exchange.

INTERNATIONAL CREDITS

The conference chamber presented a scene of great animation with the beginning of actual work. Mr. Brand (England) in the opening debate declared that the greatest impediment to the financial reconstruction of Europe was the movement for the socialization and nationalization of industry, with the accompanying burdens on Governments. Capital must be increased; the rest was a question of sane economy and sane finance. The cessation of such expenditures as those for armaments and allowances to the unemployed would also contribute to the desired result. "A paradox of the situation," said Mr. Brand, "is that the force of public opinion still seems to be exerted in the direction of increased governmental activity and expenditure. Socialization and nationalization are the order of the day, and the manual workers do not seem to realize that, owing to the losses of the war, better conditions of life can be reached only through labor and suffering." Other speeches discounted taxes on capital, the feeling being that the State could not seize the means of production without danger to the nation's product.

At subsequent sessions the question of international credit was discussed. Schemes of international action were proposed by M. Delacroix, the Belgian Prime Minister, and M. ter Meulen (Holland). The former's scheme was for the creation of an International Bank. Pointing out that it would be a long time before normal conditions would be restored, he emphasized the advantages of such an International Bank, in which all nations would be represented, and which would issue gold bonds against solid guarantees by the State where the loan was desired. These bonds, however, could be used only to purchase raw materials and other necessities of life.

The project of M. ter Meulen was generally regarded favorably by the delegates, who found objection to the International Guarantee plan proposed by M. Delacroix. M. ter Meulen said his plan was devised to assist distressed countries in obtaining commercial (not governmental) credits. His idea was to establish in needy countries a reservoir of collateral to be drawn upon as necessary. He proposed that a Central Commission of financial experts be appointed by the League of Nations to supervise these arrangements; that it be notified by the country in question of the need of credit for the latter's importers, and of the collateral it possesses to cover the credits; the commission would then assess the value of the collateral offered, and the Government of the borrower's country would issue bonds secured by the collateral mentioned, and running at interest for five or ten years. All save raw materials would be excluded.

While these and other projects were being heard the four committees which had been appointed to reach conclusions and draft resolutions were busily at work. The public debates were adjourned from Oct. 3 to Oct. 6. On Oct. 7 the committees presented their reports.

DANGER OF BUDGET DEFICITS

The report of the Committee on Public Finance was an extremely important document. It began by pointing out the close connection between budget deficits and the cost of living, which it declared was far from being grasped. Twelve of the European countries which had laid their financial situation before the conference, it said, expected a budget deficit for 1920. The attendant evils and their remedies were set forth by the report as follows:

Nearly every Government is being pressed to incur fresh expenditure, largely on palliatives which aggravate the very evils against which they are directed. The first step is to bring public opinion in every country to realize the essential facts of the situation, and particularly the need of re-establishing public finances on a sound basis as a preliminary to the execution of those social reforms which the world demands.

Public attention should be especially drawn to the fact that the reduction of

prices and the restoration of prosperity is dependent on the increase of production, and that the continual excess of Government expenditure over revenue represented by budget deficits is one of the most serious obstacles to such increase of production, as it must sooner or later involve the following consequences:

(a) A further inflation of credit and currency.

(b) A further depreciation in the purchasing power of the domestic currency, and a still greater instability of the foreign exchanges.

(c) A further rise in prices and in the cost of living.

The country which accepts the policy of budget deficits is treading the slippery path which leads to general ruin; to escape from that path no sacrifice is too great. It is, therefore, imperative that every Government should, as the first social and financial reform, on which all others depend:

(a) Restrict its ordinary recurrent expenditure, including the service of the debt, to such an amount as can be covered by its ordinary revenue.

(b) Rigidly reduce all expenditure on armaments in so far as such reduction is compatible with the preservation of national security.

(c) Abandon all unproductive extraordinary expenditure.

(d) Restrict even productive extraordinary expenditure to the lowest possible amount.

While recognizing the practical difficulties in the way of immediate action in all cases, the conference considers that every Government should abandon at the earliest practicable date all uneconomical and artificial measures which conceal from the people the true economic situation; such measures include:

(a) The artificial cheapening of bread and other foodstuffs, and of coal and other materials, by selling them below cost price to the public, and the provision of unemployment doles of such a character as to demoralize instead of encouraging industry.

(b) The maintenance of railway fares, postal rates, and charges for other Government services on a basis which is insufficient to cover the cost of the services given, including annual charges on capital account.

If still absolutely necessary, this report said, fresh taxation must be resorted to to cover expenses, and borrowing for that purpose must cease.

All these reports and resolutions were read at the session of Oct. 7, following a formal speech by the President. Eliminating the detailed recommendations, the financial experts, it was declared

generally among the delegates, had gone back to the fundamental principles of Adam Smith. In essence what they had advocated was that Governments should make their income balance their expenditure, that they should return at the earliest possible moment to the freedom of trade existing before the war, that they should discourage the wanton issue of paper money, that international credit should be established on a sound basis, that socialization and other new panaceas should be discountenanced, and that salvation should be sought only in hard work by the citizens of every country. In other words, the four combined reports represented the highest economic and financial expert opinion at present in the world.

PRESIDENT'S REPORT

The final meeting of the Financial Conference was held on the afternoon of Oct. 8. It was devoted to the reading by M. Ador, as President of the conference, of his report to the League of Nations. The chief points of the President's report were as follows:

At the conference each of 39 countries has had the opportunity of presenting to the rest its special difficulties, and all have contributed toward finding a solution. The total external debts of the European belligerents converted into dollars at par amount to \$155,000,000,000, as compared with about \$17,000,000,000 in 1913.

In all cases vigorous efforts have been made to introduce an orderly fiscal system into State finance by the imposition of fresh taxation, but, except in the case of Great Britain, there is still a very large gap between the total income and expenditure.

The process of inflation, which has been reduced by Great Britain and checked by France, still continues in other countries. In the case of Switzerland and Spain no equilibrium is yet in sight. The accumulation of gold in some neutral European countries has led to an expansion of currency and a rise of prices almost as serious as that which, for entirely different reasons, took place in the belligerent countries.

With half the world producing less than it consumes and having insufficient exports to pay for its imports, credits alone can bridge the gulf between seller and buyer, and the granting of credits is rendered difficult by the very causes which make them necessary.

First and foremost, the world needs peace and its assured maintenance for the future. The next condition of recovery is peace within each country and the restoration of social content, and with it the will and desire to work. A third condition is the existence of a system which facilitates the exchange of commodities and their equitable distribution. * * *

The conference has never sought to overstep the limits which the Council of the League of Nations sets to the scope of its deliberations. It, however, feels justified in associating itself with the hope expressed by M. Léon Bourgeois in his report to the council of April 5 last, to the effect that the economic uncertainty which besets alike the countries which are entitled to receive and the countries which are under obligations to pay, reparation claims may speedily be removed, since the settlement of this question is indispensable, not only for the reconstruction of the countries devastated by the war—a matter of capital importance to the re-establishment of Europe's economic equilibrium—but also for the recovery of the States upon whom the burden of this reparation lies.

Both M. Avenol, head of the French delegation, and M. Ador subsequently summed up the work of the conference in public interviews. M. Avenol said:

Certain people will consider, perhaps, that the conference presented no original thesis or efficacious solution. Some of the recommendations are only counsels dictated by wisdom and common sense, but beyond this our conference could not go. There are Governments which have lost sight of elementary principles, and we have recalled to them these principles under the guise of counsel. Public opinion has expected from us the inventing of remedies for the evils from which we suffer. If our recommendations are followed, the crisis will diminish little by little.

M. Ador, on his part, reiterated his conviction that the work of the conference would bear fruit. It would require time and perspective, he said, to realize how important had been the work it had accomplished, but the results would ultimately be surprising. This conference, he declared, was but a beginning, and the work begun at Brussels would be continued elsewhere. He expressed in conclusion his deep satisfaction to see the League of Nations launching at last upon its great task and actually becoming operative along the line of practical solutions.

INTERNATIONAL CARTOONS ON CURRENT EVENTS

[AMERICAN CARTOON]

A GERMAN VIEW OF UNCLE SAM



—From *The New York Times*

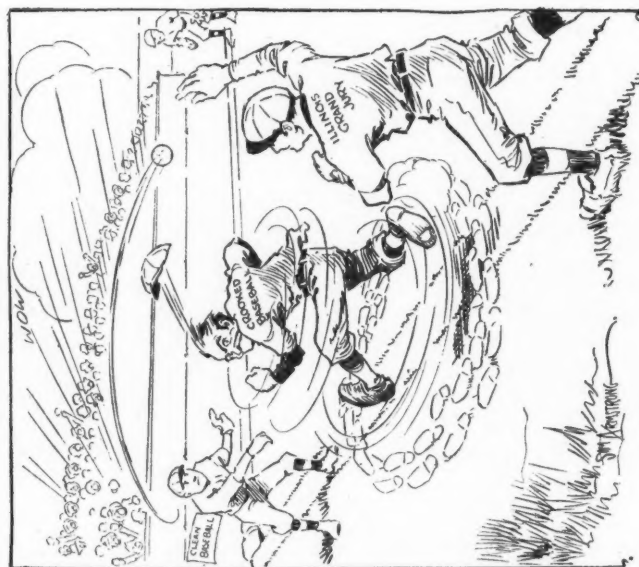
The New Roman Colossus Astride the World

[AMERICAN CARTOON]
IT'S HIGH TIME!



—Newspaper Enterprise Association

[AMERICAN CARTOON]
CAUGHT BETWEEN BASES



—Tacoma News-Tribune

ANOTHER MOUTHFUL

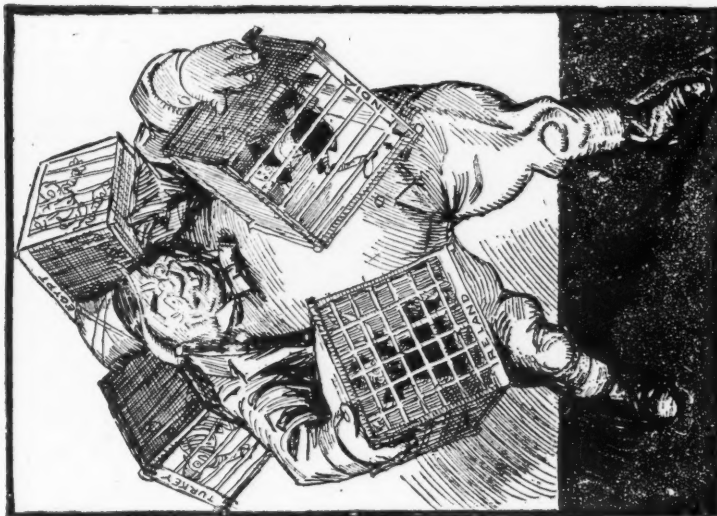
[AMERICAN CARTOON]



—Newspaper Enterprise Association

JOHN BULL'S BURDENS

[ITALIAN CARTOON]



—L'Asino, Rome
“And yet they doubt whether England is the
Land of Liberty”

[GERMAN CARTOON]

THE FRENCH COCK



—Kladderadatsch, Berlin

AMERICAN EAGLE: "He crows as loud as if he had come to this height by himself!"

[AMERICAN CARTOON]

RUSSO-POLISH PEACE ENVOYS



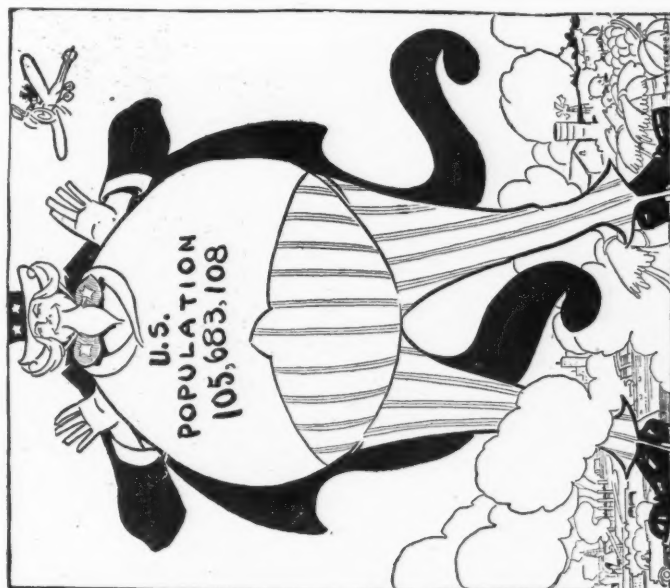
—Central Press Association

[AMERICAN CARTOON]
THE PROUD MOTHER



-Detroit News

[AMERICAN CARTOON]
LOOKS GOOD TO US



-Newspaper Enterprise Association

[AMERICAN CARTOON]

AND IT'S SOME "JACKPOT!"



—From The Sioux City Tribune

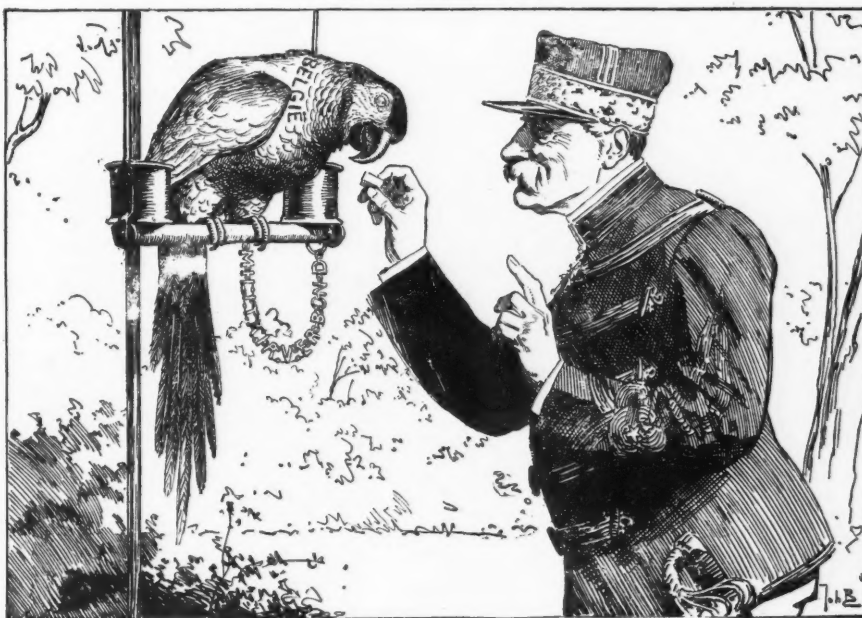
[AMERICAN CARTOON]

"CHEER UP, MOTHER DEAR! YOU STILL HAVE ME!"



—From The Sioux City Tribune

[DUTCH CARTOON]
MILITARY UNION BETWEEN BELGIUM
AND FRANCE



—From *De Amsterdammer*, Amsterdam
MARSHAL FOCH: "Now you are free, what do you say?"
BELGIAN PARROT: "Vive La France!"

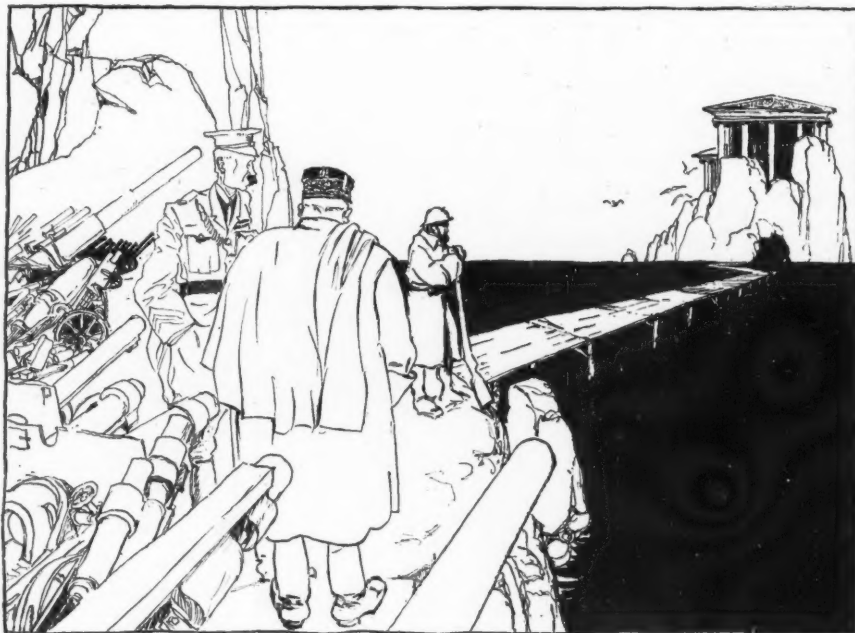
[ENGLISH OPPOSITION CARTOON]
IRELAND IN 1920



—From *The Star*, London
"Hullo, what side are you on?" "Justice and Liberty. And you?"
"Law and Order."

[GERMAN-SWISS CARTOON]

THE WAY TO RECONCILIATION

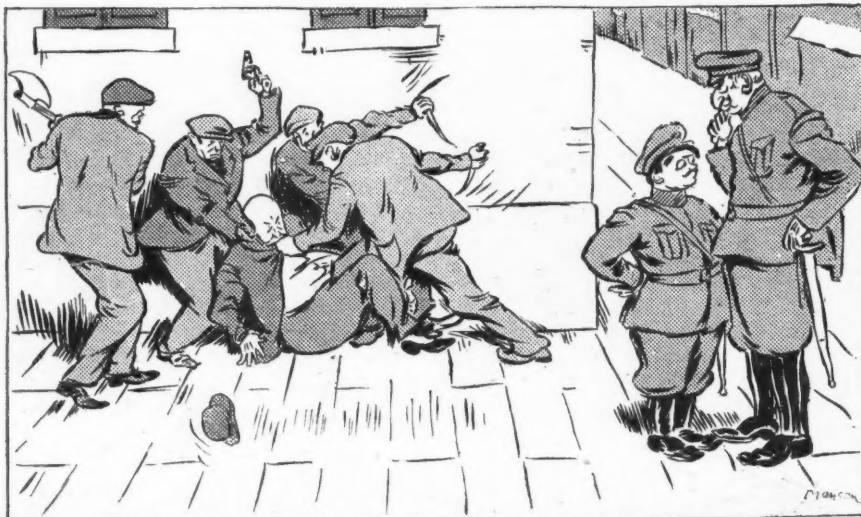


—From Nebelspalter, Zurich

"Mon General, I fear that we shall hardly get over it with our heavy artillery!"

[ITALIAN CARTOON]

SETTLING THE DISPUTE

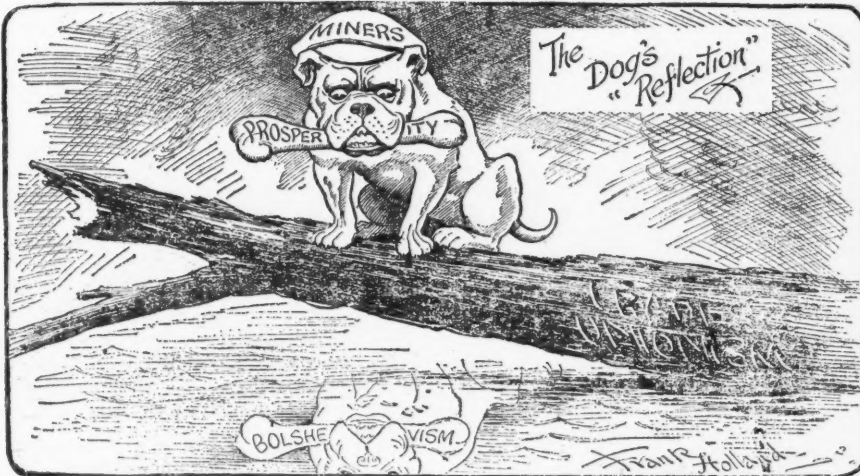


—From Pasquino, Turin

GIOLITTI. "See, in the long run that fellow [the factory owner] will agree with the others!"

[ENGLISH CARTOON]

THE STRIKERS' PROBLEM



—From John Bull, London

This was the question that puzzled the dog,
As he sat with the bone in his teeth on the log:

"Now would it be wiser to let well alone,
Or drop this and dive for that Bol-shevist Bone?"

[DUTCH CARTOON]

THE FINANCIAL CONFERENCE AT BRUSSELS



—From De Amsterdammer, Amsterdam

A meagre banquet and a reluctant guest

[AMERICAN CARTOON]

Reductionitis



—Newspaper Enterprise Association

[AMERICAN CARTOON]

A Good Tackle!



—Dallas News

[AMERICAN CARTOON]

Overloaded, But Still Chugging Along



—St. Joseph News-Press

[AMERICAN CARTOON]

"Over the Hill to the Poor-house"



—Brooklyn Eagle

The "Spite Fence"



—Brooklyn Eagle

[ENGLISH CARTOON]

The Emissary of Progress



—Passing Show, London

"Does anybody want to buy some Russian jewels?"

[ENGLISH CARTOON]

"Up to Date"



—Daily Express, London

JONATHAN: "Say! John, what's the matter with you?"

JOHN BULL: "I ate a 'mandate'!"

JONATHAN: "I'm darned glad I didn't!"

[AMERICAN CARTOON]

Had There Been a League
in 1848



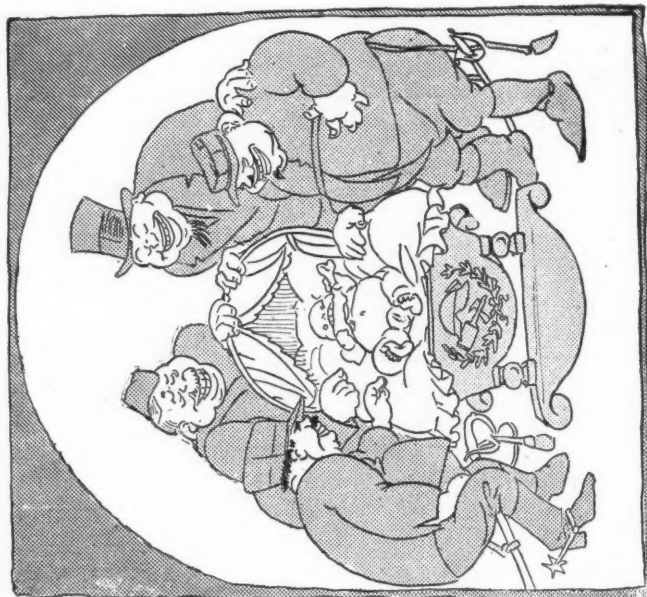
—Chicago Tribune

[AMERICAN CARTOON]
STILL FOOLING WITH IT



Nelson Harding
—Brooklyn Eagle

[AUSTRIAN CARTOON]
THE LITTLE ENTENTE



—Die Muskete, Vienna

“Just like his father!”

CURRENT HISTORY IN BRIEF

[PERIOD ENDED NOV. 15, 1920.]

DOES A MANDATE MEAN ANNEXATION?

FRANCE took full possession of the former German territories of Cameroons and Togoland in Africa at the beginning of October, 1920. This was in accordance with Articles 118 and 22 of the Treaty of Versailles. The exact meaning of the mandate under which France is to administer these districts has not yet been officially settled, and interpellations have taken place in the Chamber of Deputies with a view to obtaining the Government's pronouncement on this important point. Does a mandate mean annexation? Both Great Britain and France seem inclined to give an affirmative answer. Protests in the House of Commons have been raised against alleged attempts on the part of the Government to exceed the terms of Article 22 and to convert the mandate system into sheer imperialistic annexation. A debate which took place in the French Chamber of Deputies on June 29, 1920, gives clear evidence of a similar interpretation.

The interpellator in this debate, M. Gratiens Candace, pointed out that the League had defined three kinds of mandates, designated respectively as A, B and C. Mandate A applied only to former Ottoman possessions. Mandate B applied to the German colonies in Africa, and imposed certain limitations. Mandate C meant annexation pure and simple. M. Candace also pointed out the extreme importance of determining under which of these France was to exercise her mandate, if she wished to levy troops and to establish military and naval bases.

M. Georges Boussenoit, the Colonial Minister, explained the situation as follows in his reply:

The question was raised last year—to be precise, on Sept. 17, 1919—when M. Henry Simon [the former Colonial Minister] was called on in this House to explain the terms of the mandate, and especially the powers which were to be credited to us in Togoland and the Cameroons. It is

well to remember that M. Simon made a formal reply on that occasion. In the course of that debate M. Mistral interrupted with an explanation: "You mean that, as regards Togoland and the Cameroons, it is to be a question of distribution?" And the Minister's answer, according to the *Journal Officiel*, was: "Undoubtedly." This means that on Sept. 17, 1919, the Government gave us the assurance, through the mouth of the Colonial Minister, that as regards Togoland and the Cameroons we had not got a mandate incumbered with a mortgage, but, to use the Minister's own words, simple distribution.

To this M. Candace made the following reply:

It is a very good thing that the Government has made this statement. * * * It appears from what you say, Sir, that negotiations are being carried on. We have great hopes of seeing carried out at last the agreement made last year in London between the Colonial Minister, M. Simon, and Lord Milner. We desire this consummation. We shall soon receive the Cameroons ports. If the terms of mandate C, corrected and enlarged by the Franco-British agreement, are to be applied, *if it is to be pure and simple annexation without limiting condition*, seeing that the mandate has not been defined by the Supreme Council, we shall be able to construct fortifications and to establish naval bases in the Cameroons. From the economic point of view, a system of commercial freedom will be established, i. e., there will be an extension of the commercial freedom existing in the demarcated basin of the Congo. We want all this. Even if the question was raised last year at London, it was not mentioned at San Remo. We have insisted on raising it here, so that the Colonial Minister, who is the best qualified person in the Government to discuss it with the Foreign Minister, should suggest to him the idea of raising it at Spa. It deserves not to be forgotten.

The *Paris Temps* in its issue of Oct. 9 published an editorial dealing with the whole question of these mandates. The viewpoint taken by the *Temps* was that France was bound in honor to administer the mandate in the spirit of the League, and that a dispute over interpretation was wholly undesirable. The loyalty of France's intentions, said the *Temps*, had

[AMERICAN CARTOON]

SHE HAS PROBLEMS ALL HER OWN



—From The Tacoma News-Tribune

been evidenced in the measures already taken to set up the new administration. Courts, councils, essential administrative posts, appropriations, customs—all showed the desire to set these new colonies on a footing of equality with France's other African possessions. Absolute impartiality had been shown in the delicate question of the liquidation of former German property, and foreigners had been admitted to the sales. This and the other measures taken were approved by the Temps, which said:

This method is the right one. After the very considerable increase of our Colonial Empire following the war, we shall be allowed to keep this vast new patrimony only if, on the one hand, we develop it rapidly, and, on the other, remain scrupulously faithful to our international engagements.

* * * *

BELGIAN MEMORIAL IN LONDON.

AS a token of gratitude from Belgians who found refuge in England during the dark days of the German occupation, a Belgian monument was unveiled on the

[POLISH CARTOON]

POLAND AND THE ALLIES



—From Mucha, Warsaw

[A cartoon voicing Poland's resentment against the Allies for halting the drive against Russia. Lloyd George is represented as tying Poland's hands while the Reds are still attacking]

Thames Embankment on Oct. 13. It stands opposite Cleopatra's Needle, still scarred by the bombs of the attacking Gothas. The day chosen for the presentation was the fifth anniversary of the execution of Miss Cavell. The following description of the memorial was penned by an eyewitness:

The sculptor of the group, M. Victor Rousseau, has symbolized Belgium as a mother with her children. The woman wears long trailing garments of mourning, and she is telling her children that Belgium will never forget her debt of

gratitude to Great Britain. The children (a boy with a bold, alert expression, and a little girl), carry garlands which symbolize the wealth of the nine Belgian provinces. The architectural background for the bronze statuary is a curved wall, shining white against the green of the Embankment Gardens.

The Belgian Premier, M. Delacroix, presented the monument, which Earl Curzon accepted for Great Britain. At noon Princess Clementine, daughter of former King Leopold, drew aside the Belgian and British flags, and a Guards

[ENGLISH CARTOON]

THE SERENADE

—From *The Passing Show*, London

band played the two national airs as the gleaming figures of bronze appeared. This statue, said Premier Delacroix, would ever stand as a symbol of a friendship which, begun in days of sorrow, would prove enduring. Lord Curzon paid tribute to Belgium's heroism and swift recovery after the war. "No nation," he said, "has recovered so quickly as Belgium, which now stands independent and fearless before the world."

MEMORIES OF LAFCADIO HEARN

THE seventeenth anniversary of the death of Lafcadio Hearn fell on Sept. 30, 1920. A memorial service was held by his family and hundreds of his former pupils and friends at his old house at Nishi Okubo, Japan. The Japan Weekly Chronicle (Kobe) reproduces in translation, in its issue of that date, an interview given by Mrs. Koid-

[AMERICAN CARTOON]

SUCH A PROTRACTED SPELL OF QUIET



—© New York Tribune

zumi—Hearn's widow—to a representative of the Yomiuri. Mrs. Koidzumi said:

It seems only yesterday, yet seventeen years have elapsed since his death. But, seeing how the children have grown, I feel I must be getting old. My eldest son, Kadzuo, has finished the English literature course of Waseda College. Iwao, the second son, is now in the engineering department of the Kyoto Imperial University. The third son, Kiyoshi, is studying at the Art School. Sudzuko, the youngest, a girl, is in deli-

cate health and keeps at home. It was just after she was born that my husband died. So she does not know her father's face.

From Mrs. Koidzumi's reminiscences it appears that the English biographies written of Hearn contain many errors. Hearn adopted the Japanese style wherever he went. This was no affection; he was always honest, sincere, unrestrained in the expression of his

[AMERICAN CARTOON]

THE AFTER-WAR RELAXATION IN ENGLAND



—© New York Tribune

impulses and emotions. In his travels he preferred a Japanese inn to a hotel. Beyond all else he loved quiet, and it was this that guided him in the acquisition of his house, which had a bamboo grove, still intact today. His rooms and his garden are virtually unchanged. Looking out of the window of his former study into the garden, Mrs. Koidzumi said: "When Autumn sets in and the season in which he died comes around, a strange sensation comes over me. He

died of heart failure in about thirty minutes."

The Japan Chronicle also reproduces from the Hochi passages descriptive of Hearn taken down from the reminiscences of the veteran Japanese statesman, Marquis Okuma. The picture drawn by Marquis Okuma is as follows:

Once a great scholar named Lafcadio Hearn came to Japan. He was an Englishman. He was not merely a scholar but a man of great literary talent. He wrote many noted books. It was this man

who introduced Japanese literature to the world. Hearn married the daughter of a Knight (*Shizoku*), of Idzumo; the wedding was celebrated at the great shrine of Idzumo.* At length he was naturalized in Japan, assuming the surname of his wife, Koidzumi, with the addition of the personal name of Yakumo—a term derived from a poem connected with Idzumo Province. He was a great original. He was a Professor at the Imperial University, but left it as a result of a quarrel with the Faculty. †Then he came to work at Waseda. When I wrote a "History of Fifty Years Since the Opening of the Country," I asked him to run through the manuscript, because I wanted him to verify the passages relating to Christianity therein. His answer was that he was ready to do anything else for me, but that he must be excused from doing this particular job, because he said that he had been glad that he had at last succeeded in coming to a place where there was no odor of Christianity and that he would be exceedingly disappointed if he had to read anything relating to that dirty Christianity. Tsubouchi [Dr. Tsubouchi] and I earnestly asked him to reconsider his decision, but all in vain. He was a very interesting man. He used to smoke with a long Japanese pipe having by his side a tobacco tray formerly belonging to a daimyo which he had picked up somewhere. He never touched cigarettes or that sort of thing. He sat cross-legged at a Japanese desk and wrote manuscripts and read books like a Japanese. At length he died in Japan and was buried at Zoshigaya.

* * *

THE CRIME WAVE IN THE UNITED STATES

THAT there is a temporary wave of major crime now sweeping over the United States, and that minor offences have decreased, is the conclusion reached by several eminent specialists in criminology in this country, as set forth in an article by William L. Chenery. The authorities cited are William J. Burns, the famous detective; Dr. Bernard Glueck, former director of the psychiatric clinic at Sing Sing; Dr. O. F. Lewis, Secretary of the Prison Association of New York, and Charles F. Rattigan, Superintendent of the Prison Department of the State of New York.

Mr. Burns attributes the crime wave in large part to the reaction of the war. Men

were trained to kill, became hardened to the taking of human life, and on demobilization, finding themselves cast forth without regular work and with a craving for excitement, chose highway robbery as the easiest and most stimulating means of making a living.

Dr. Glueck, as a criminal psychiatrist, approaches the subject from a different angle, but his essential conclusions are the same. In his analysis of causes he inclines to the belief that the new prohibition law, in taking from men of lawless temperment the possibility of venting their anti-social tendencies in drunkenness, causes them to seek expression in crime. Dr. Glueck adds:

In view, however, of the tendency to greater daring in crime, a tendency which is the natural price of war, I would call attention to the public necessity of knowing the criminal actor as well as the criminal act. * * * The outside view is something like retaliation for the outrage done the majesty of the law. Prison keepers, however, now incline to the view that punishment is intended to reform, to make the man who committed a criminal act safe in the future. The tendency in all of us is to punish the thing most severely which in our heart of hearts we fear that we would be most likely to do. For that reason when an atrocious crime is committed our first impulse is to eliminate the crime and the criminal from view. * * * It goes back to the general feeling, uttered by the religious teacher on seeing a condemned criminal, "But for the grace of God, there am I."

In Dr. Glueck's opinion, the present increase of major crime is a transitory phenomenon, which will tend to disappear with readjustment to the conditions of normal life. By thorough methods such as those now being applied at Sing Sing—methods based on expert mental and physical study of the criminal—he believes crime may be decreased to an irreducible minimum. It is his opinion that the morale-making agencies, especially the Y. M. C. A., the Knights of Columbus and the Jewish Welfare Board workers, all successful in the army, will be able to play an important part in eliminating the anti-social instincts which lead eventually to crime. Dr. Glueck points out the importance of detecting and rectifying these tendencies in early youth, especially in the first ten

*The editor of *The Chronicle* questions the accuracy of this last statement.

†The Marquis Okuma was one of the founders and chief administrators of this well-known Japanese University.—Ed.

years of life. The child's ego must break through; if it cannot do this normally, it will do it abnormally.

Charles F. Rattigan, Superintendent of the Prison Department of New York State, and supervisor over four State prisons (Sing Sing, Auburn, Clinton and Great Meadows), cites statistics which seem to point to the conclusion that not only minor but also major crime has decreased in the past few years. In a comparison of four years, beginning June 30, 1916, and ending June 30, 1920, the number of criminals imprisoned for serious offenses decreased from 5,486 to 3,867. This was confirmed by figures from other penal institutions. From 1917 to 1918 the aggregate statistics showed a decrease from almost 15,000 to a trifle over 11,000.*

Mr. Chenery points out that 80 per cent. of crime comes from the circles of the "submerged tenth." The children of the poor are the material from which the mass of criminals are drawn. He adds:

The war's psychological aftermath is the big obvious stimulant behind the present outbreak. Prohibition and high wages seem to be the restraining influences. But the crime problem is not transitory and, while it is made more or less intense by unfavorable and favorable influences, at the bottom it remains a permanent responsibility for the entire community and nation. When we are more civilized a crime wave will cause society to regard itself quite as anxiously as it now does its criminals. For in the last analysis the bulk of crime is a witness to social neglect or maladjustment. When that is remedied it will be much easier to manage the residuum who in the best of all possible worlds would go wrong.

* * *

PEARY'S FINGERPOST.

A WHITE explorer of a Scandinavian cast of countenance, swathed in heavy furs and accompanied by two Eskimos, arrived at the furthestmost point of the cluster of islands bordering Greenland on the west in the early

Spring of the present year. Across the frozen plain the three men trudged. Behind them lay Discovery Harbor, of Alert and Greeley fame; the lofty Alpine coast of Grinnell Land, the northeast headland of Grant Land, through which—with those of the party left behind—they had had to cut their way with axes. All the way up the frozen coast of Greenland they had made their way on sledges, drawn by 200 brawny dogs, crossing over glaciers jutting out from inland ice, moving slowly over narrow ice-shelves and steep rocks, looking down on the dark, seething, roaring sea. Robertson Bay, Kane Basin, Kennedy Channel and Franklin Island had been their itinerary. Of all the expedition, which included many Eskimos, only these three men were left.

One of the Eskimos pointed. Standing dark and stark against the gleaming ice rose a wooden guidepost. The three fur-clad figures quickened their pace, reached the pointing finger of the post and read this inscription printed in faded ink: "North Pole 400 miles. April 6, 1909."

The white explorer gazed northward over the shimmering wilderness of ice. He was listening to Sipsu, the Eskimo, who resembled the Red Indian chieftains of the romances of Fenimore Cooper, and who was telling the dramatic story of how he had accompanied Peary on his memorable journey to the North Pole. The fingerpost before them had been erected by Peary and the inscription traced with his own hand.

The white explorer was Captain Godfred Hansen, a Danish navigator of Copenhagen, who had been sent by the Norwegian Government to establish depots which might facilitate the return of Captain Roald Amundsen, the Norwegian explorer—absent since June, 1918, in an attempt to complete the feat undertaken by Nansen in the Fram, that is, to enter the ice pack and drift across the polar basin. Captain Hansen had set out on his difficult task in June, 1919, and in October, 1920, he was back again in Copenhagen. With his maps spread before him in his cozy little home he narrated his experiences, stamped with the mood and flavor of the frozen seas.

*An interesting parallel to this for Great Britain may be found in the report of the British Commissioners of Prisons for 1919-20. The official statistics showed pronounced decrease in crime since 1914. Most of those imprisoned were old offenders, and the "preventive" side of social work showed in the sweeping reduction of crimes committed by young men under 21.—Ed.

THE FRANCO-SWISS RHINE DISPUTE

SWITZERLAND, whose wartime difficulties were manifold and complex, has new trouble on her hands—not with Germany, but with France. Article 358 of the Versailles treaty gives France the right “to take water from the Rhine to feed navigation and irrigation canals.” This is what troubles Switzerland. A modifying clause provides that the exercise of the rights given to France “shall not interfere with navigability nor reduce the facilities for navigation.” Matters in dispute are referred to the Central Commission for the Rhine.

Under this article France is planning to construct a side canal between Hünningen and Breisach, on the ground that between Strasbourg and Basle the Rhine is navigable for only three months in the year, and this only to a limited degree. Her object is twofold: shipping on a large scale and the generation of electric current to the extent of 100,000 horse power. To this Switzerland strenuously objects, and the dispute has now reached a certain degree of acrimony. An article by M. Jean Herbette in *The Temps* of Oct. 3 described Switzerland's attitude as that of a miserable huckster, due to a desire to force France to purchase her electric power from Switzerland, instead of generating it herself. The dispute was taken up by the editor of the *Basler Nachrichten*, who, on Oct. 9, published an article from his Paris correspondent giving in detail the French viewpoint, as follows:

(1) The Rhine from Strasbourg to Basle is navigable only for three months in the year, navigable only to a limited degree and at heavy expense for charges.

(2) France is opposed to the free Rhine being made navigable, on the ground that she could not then obtain the water power which she desires, and furthermore, from her experience with the Rhone, believes that such a project is impracticable, owing to the large fall.

(3) The French scheme for a canal 124 meters broad and seven meters deep, with eight locks, would permit large vessels arriving at Strasbourg to proceed to Basle. It would allow large barges heavily laden to be pulled by tugboats of small horse power. Regarding time, this canal would make it possible to reach Basle from Strasbourg in thirty hours—“one day and one night, in a quiet, deep,

sandless canal,” instead of in two days, which it takes at present. It would make navigation possible the year around.

(4) The Rhine would not cease to be free. The Swiss, in alleging this, have not been sufficiently impressed by the fact that France, under Article 358, pledged herself to place the side canal under the same international control as the Rhine itself. The treaty, moreover, gives Switzerland representatives on the Central Commission for the Rhine, which Germany has always denied her.

The editor of the *Basler Nachrichten* urged that Switzerland should avail herself of this right, and send representatives to the Commission. Technical difficulties for Switzerland may be overcome by the Swiss experts, but only a decision by the Commission that the French project violates the provisions of Article 358 can prevent France from carrying her plan through. Politically, the construction of this canal will place Switzerland in a dependent position as regards administration of Rhine shipping. Furthermore, as the canal will be on French soil, will belong to France, with French officials to supervise the locks and to draw up the police and financial regulations, the French insistence that the canal will be as free as the Rhine seems to the Swiss hardly convincing. Like many of the other international disputes, not of an irreconcilable nature, which have grown out of the Peace Treaties, this Franco-Swiss controversy will probably be settled by compromise. ●

* * *

DR. HADEN GUEST ON RUSSIA.

A SERIES of articles on the Bolshevik régime by Dr. L. Haden Guest, Joint Secretary of the British Labor Delegation to Soviet Russia, was published by *The London Times* in October. It forms a grave indictment of the tyranny exercised by the Moscow dictators, and receives added force by the fact that Dr. Guest occupies an influential position in the Socialist wing of the Labor Party.

On entering Soviet Russia Dr. Guest was struck by the military spirit everywhere displayed. His study of the situation has led him to pen the following keynote conclusion:

The Red flag is being overlaid with gold

embroidery and military inscriptions, the primitive simplicity of revolutionary fervor is giving way to the glory of military decorations, insignia of rank, smart belts and all the rest of the familiar paraphernalia. The more we hammer Russia, the more the military spirit increases, for whoever suffers first, it is the army which suffers last. And the army, which is one of the great pillars and supports of the power of the autocratic Council of commissars, is becoming welded into a great army with a tremendous reserve on which it can draw for reinforcements. Every month and year which goes by, keeping the army in the field and the military spirit going, strengthens the forces making for autocratic Government and rule by force.

This tyranny, says Dr. Guest, has arisen from the gradual concentration of power in the hands of five political dictators—Lenin, Trotsky, Stalin, Kamenev and Kristinsky, the so-called "political five"—as the Bolshevik rulers gradually realized that the great majority of the peasants were hostile to the régime and were not "reliable." He confirms the judgment of Mr. Bertrand Russell, whose recent onslaught on the Moscow rule after a visit to Russia had already dealt the Moscow dictators a heavy blow, that the Soviet system is moribund. Soviet organizations, says Dr. Guest, are dying out. Soviets assemble rarely and irregularly; even the Central Executive Committee does not meet for half a year and more. Elections are even rarer and are conducted under increasing Governmental pressure. Masses of working people and peasants are deprived of their political rights on the charge of counter-revolutionary tendencies. The political five reign like monarchs, relying on their military and police support, and tacitly sanctioning all kinds of corruption, arbitrariness, violence and robbery.

Hope for the future Dr. Guest finds in the peasants, 90,000,000 out of a total population of 125,000,000. The real strength of the Russian revolution, he

declares, lies in the agrarian movement, based wholly on private ownership of expropriated land. This is contrary to the spirit of Communism, but the peasants are not Communists. "We could find," says Dr. Guest, "no one in Russia willing to say he considered that the peasants were or would become Communists." Concerning the mental attitude of the Soviet rulers toward the peasants, he testifies:

Lenin spoke of them with contempt, as of inferiors. Losovsky, a well-known trade union leader, spoke of them in the same way, and suggested that more than a generation must elapse before communal agriculture could make any headway at all. Sereda, the Commissar for Agriculture, considered that only a slow process of education, based upon a careful study of peasant psychology, offered any hope of Communism spreading among the peasants.

On no less an authority than M. Kamenev he declares that there is at the present time neither socialism nor Communism in Russia. Unsuccessful on the land, the Bolshevik leaders have been equally unsuccessful in the cities in respect to the socialization of industry. The Bolsheviks he defines as "fanatical dogmatists who are so certain they are right that they are prepared to make other people conform by force to their theories. Perhaps only the terrible failure of their experiments could teach them."

The Socialist attitude of opposition to the contemporary Bolshevik régime, Dr. Guest adds, is based on "the protest against a system of violence of a minority over a majority of workers." Like Bertrand Russell, Dr. Guest, a convinced Socialist, sympathetic to any Socialist régime, returned from Soviet Russia a disillusioned man, to swell the ever-increasing numbers of those opposed on principle to the dictatorship of the Moscow oligarchy.



America as a World Tyrant

A German Historian's Attempt to Prove That Europe is Becoming
a Serf of the United States

By FRANCIS HAFFKINE SNOW

THAT the United States, in the rôle of a modern Machiavelli, is scheming successfully to subjugate the whole of war-weakened Europe, is the startling thesis put forward by Dr. Ulrich Kahrstedt, a German historian, in his amazing book, "Pax Americana," which has just appeared in Germany.*

According to this German alarmist, all Europe is on the point of falling into servitude to the United States, whose whole international policy, he asserts, is an embodiment of State Machiavellianism aimed at complete world domination. This sensational charge, worked out with characteristic German "Gründlichkeit," is based throughout on a historical analogy between the methods by which Rome won her universal hegemony and those by which, since the outbreak of the war in 1914, the United States Government has acquired power of dictation in the political and financial affairs of weakened Europe—a degree of power, he says, without precedent since the days of the Roman Empire. According to Dr. Kahrstedt, Pax Americana is the modern translation of Pax Romana.

The author sees an ominous parallel between Rome's support of Greece against the Macedonians, the greatest military power of the period, and the support given by the United States against Germany and Austria. The United States, it is true, proclaims lofty altruistic motives. So, also, he points out, did Rome, who declared that she had no desire of gain, no ulterior motives, that she wished only to aid a weak nation bullied and intimidated by a stronger one. Yet soon afterward Greece had vir-

tually subscribed to that absolute *deditio* (complete surrender) which was Rome's inexorable condition, and in all the Mediterranean border lands, as well as many miles inland, the Roman Imperium was supreme. So, too, declares this relentless applier of historical analogies, America will soon establish her complete domination over the bleeding and enfeebled States of Europe, who have already come under the yoke of her demand for absolute surrender.

These prophecies, alarming to all European nations, conquerors and conquered alike, are worked out under the author's primary analogy in the following passage:

When Roman supremacy and the powerlessness of the States of the Greek East became evident about the middle of the second century before Christ, the Greek Polybius undertook to describe to his fellow-countrymen how it could come about that, "in fifty-three years, a time of relatively unprecedented shortness, the entire known world could fall under the sway of one nation." He sought to show the essential changes in the political situation of the world, in political conditions, to explain political methods in relation to those of the past.

He harped especially on the Roman method of overthrowing other nations; on the peace terms, surpassing all known before in severity, imposed by victorious Rome upon the vanquished; on the unexampled mercilessness of Roman overlordship. A capitulation to Rome, he said, meant something far different from a capitulation to a State of the old Greek State system, since the Roman always demanded the *deditio*, the unconditional surrender not only of army and weapons, but the transfer of the entire destiny of the vanquished nation to the unrestrained arbitrary sway of the Roman people. * * *

The historian who undertakes to describe the events of the present and the essential difference between them and the customary methods in the old European system of States will be in a position to point out the same novelty, in characterizing the Pax Americana, as his forerunner

*Pax Americana: Eine historische Betrachtung am Wendepunkte der Europäischen Geschichte (Pax Americana: A Historical Study at the Turning Point of European History). By Dr. Ulrich Kahrstedt. Munich, 1920: Drei Masken Verlag.

of 2,000 years ago did in describing the Pax Romana.

Something tremendous, something that never happened before, has happened: great European powers have decided upon the *deditio*—we must keep the Latin word, since the modern language of diplomacy, not knowing the thing itself, has no word for it. And still more has happened; for the first time a non-European nation has been recognized as arbiter over the fate of European nations, not only by one side—as were the Huns, the Saracens, the Turks—but by every nation concerned.

During recent years there occurs in nearly every expression of opinion, in nearly every European political program, this sentence: "The program of the President of the United States is to be carried out." No State and no party can think of a better way of recommending itself to public opinion than by maintaining that its own desires coincide with his principles.

The statements of the German Government and of the German National Assembly in the Spring of 1919 claimed Danzig and the Saar region, not because of the nation's honor, but because of Wilson's Fourteen Points. The Germans of Posen, as well as the Poles there, tried to show that the territory where they lived fulfilled certain conditions laid down by Wilson, in order that this or that decision might be made concerning it. The Germans of Bohemia cite Wilson in their demands for independence, and the Czechoslovaks do likewise in demanding the unity of all the lands of the old Kingdom of Bohemia. * * *

On March 16, 1919, a German Minister of State put into words what seems to the historian the most unprecedented novelty of recent years: he declared that the German people placed itself unreservedly in the hands and subject to the will of America. Nothing like this has been heard in the higher realm of politics since the days of Caesar.

The theory that America, represented by President Wilson, was outplayed and outmanoeuvred at Versailles, is almost derisively rejected by this twentieth century Polybius. His whole mental attitude is emphasized in the charge that the Peace of Versailles is exactly what the United States desired, because its ruthless one-sidedness would pave the way for future wars. "A Europe tearing itself to pieces, not one recovering from its ills, must be the goal of every American statesman who keeps to his true course," Dr. Kahrstedt declares. With Germany and Austria shattered and impotent, with the allied nations financially

and economically ruined, America stands forward to seize the sceptre of the world. He continues:

America is not, by a fortunate or unfortunate chain of circumstances, accidentally in the position of determining, as acknowledged arbiter, the conditions of peace in Europe, which terms the European powers, when the constellation of nations changes, can at their own free will fail to observe. On the contrary, she stands as the only great white power, bursting with strength, beside a system of European States, some weakened, some bled white; she stands beside Germany, torn by convulsions, emptied of raw materials and necessities of life, whose industry is bankrupt, whose agriculture is ruined; beside France, which has lost from 7 to 8 per cent. of its population; beside Italy, which is spending the earned capital of the last generation and is transformed again into what she was in the nineteenth century, a land begging for tips and living on tips; beside a vacuum that once was called Russia and Austria.

Only England still keeps her place as an independent power, not because of inner strength—since her merchant marine is hard hit, her foreign markets reduced, her labor conditions deranged, the value of her money sunk lower than at any time since there have been exchange quotations, her monetary system plunged into confusion by the coinage of silver coins partly mixed with base metals, as in the days of later antiquity—but because of her brilliant strategic position at the end of the war.

An epoch has been marked in world history: Europe has reached its end as the centre of power in world politics. Just as the little Greek peninsula, after it had given up being the centre of world happenings for several generations in classical antiquity, yielded first to the larger States of the Near East and then to Italy; just as Italy, at the end of ancient times, yielded the world centre to the regions north of the Alps; just as, in the late Middle Ages, when Italy had once more become the centre, at least for culture and science, her States were broken up by the European nations on the North Sea and Atlantic Ocean, so again the world centre is shifting: it is moving from Europe to the New World. An era has been reached as important as the migration of peoples, as the Renaissance, the Reformation, or the discovery of America, more important than the cannonade at Valmy in which Goethe felt the breath of world history.

The balance of power, in other words, that almost mystical foundation of Europe's international policy for more than

a century, is, in Dr. Kahrstedt's opinion, on the road toward destruction, and he quotes, in proof of this, the words of Woodrow Wilson of Jan. 22, 1918, in which, "for the first time in 200 years, the balance of power was not treated as the goal of politics and diplomacy, but as an evil that should be eradicated." The only balance of power that America desires, implies the writer, is the balance held in her own hands. To this desire, he declares, all considerations of international justice yield. To America it was a matter of indifference whether France should get Alsace-Lorraine, whether Italy should win Southern Tyrol. Her only preoccupation was that those nations who favored her hegemony should receive advantages in land or otherwise; that those nations who opposed it should be brought low. Logically and legitimately, Germany and Austria should have won the war with their invading armies on French and Italian soil, but it was America's will and to her purpose that they should lose and yield territory. "To America victory and defeat have become matters of indifference—advantages and disadvantages in international agreements are now handed out only by the Protector of the nations." Thus America has become the supreme dictator, and she need not trouble herself to make this concrete; following the example of Rome, she can allow the nations of Europe to preserve a shadowy vestige of independence, exhaust themselves in mutual onslaughts, and become the helpless victims of her economic and financial domination.

Only one nation has the potential power to resist the American project of world domination, says Dr. Kahrstedt, who shows but little confidence even in this possibility. That nation is Japan. Here again he has recourse to parallels with the ancient world. In this comparison Carthage equals Japan:

A difference in the political constellation between the time of the establishment of Roman overlordship and the present day is indeed apparent. In the ancient world there was, across the sea from Rome, another State worthy of note—Carthage. Today, beyond the great Republic of the west, lies Japan. Here the analogy between the second century before

Christ and the present changes: when Rome, with her predominating power, mixed herself in the affairs of the Old World, she had already overthrown this possible rival, broken the back of Carthage in two gigantic wars, reduced it to a half-vassal State, won a firm footing in its hinterland, Numidia. The modern Rome has mixed sooner in world affairs. The modern Carthage is not vanquished and by no means on the downgrade; in Japan's hinterland nobody can seriously menace Japanese economic or political preponderance. Here we have a power at the back of America of a sort with which Rome did not have to reckon.

Just as Hannibal sought to ally Carthage with the great military power Macedonia, continues this pessimistic Teuton, so should Japan have allied herself with Germany, the modern Macedonia, against the domination of the United States, the modern Rome. But this logical development failed, as it had failed with Hannibal, and the outbreak of the World War found Japan fighting among the ranks of Germany's enemies.

But even the strength of Japan cannot hold back the resistless tide of the American will to power. "One may doubt whether there will ever be an opportunity in future to prevent American world domination by means of a coalition." The Pax Americana seems destined to level all. The resistance of England will be in vain:

The first blow at the old system has torn two great powers to pieces, mortally wounded another, and hit two great European States, France and Italy, despite accessions of territory and military triumphs, almost as hard as the vanquished, in so far as population and economic power are concerned. England alone stands after the war stronger than before it, but she compares in population with America as 1 to 2, and, in another generation, will stand as 1 to 3 or 1 to 4. With her far-flung rule over dissatisfied peoples she offers countless points of attack for any power bent on destroying her.

Opposition of England and America is the next phase in the development of the white race; America is the stronger of the two and is gaining daily in strength; in addition, America may feel sure, if it comes to war to a finish, of finding allies in the ranks of the second and third rate powers which still remain.

What has happened between 1914 and 1919 is more than half the road from the balance of power to American world

domination. It would be strange indeed if the rest of the road were not covered in a few decades.

Dr. Kahrstedt paints an appalling picture of the state to which the wretched nations of Europe will be reduced when that time comes. The destruction of life by the war, combined with the ever-decreasing birth rate and immigration to triumphant America, will depopulate all Europe. Railway stations and harbors will be empty of traffic, great cities will become small cities, grass will grow in the streets of the great industrial centres, even as it grew in the sixteenth and seventeenth centuries in the streets of Antwerp and Bruges; even as it grew, after the end of Italian predominance, in the streets of Florence and Pisa. Carthage and Corinth, from blooming cities, sank to the level of little, thinly peopled towns: so, in Northern France and Belgium, places like Rheims, Amiens and Ypres are destined to decrease and to decay. One great modern European city—Vienna—is already manifestly doomed. Under the American world rule all culture, all freedom of life, all beauty will depart.

If any comment on this picture of "inspissated gloom" were needed it would be found in the picture itself. It

is in reality a picture of German mentality. Article after article has been written in Germany in the last few years, even in the period antedating the war, which showed the same German incapacity to grasp a State policy dominated by a purely spiritual and humanitarian ideal. Wholly materialistic in her own Weltanschauung, Germany has been signally unable to interpret the spirit and policy of other nations in any other terms. A cynic among nations, she is temperamentally incapable of believing in altruistic motive. The whole world outside of certain reactionary circles of Germany recognizes today the purity of America's international policy. All Europe, by accepting it, demonstrated this recognition. In erecting the United States into a colossal image of hypocrisy and Machiavellianism, Dr. Kahrstedt, it is clear, is but projecting outwardly the image of the Germany before the war, painting the picture of what Germany would have done, and probably would still do, if she were in America's place. The accumulated evidence of the last few years shows that Europe knows our true face; our own actions suffice and will continue to suffice to show the grotesque distortion of Dr. Kahrstedt's picture, and the futility of his sensational prophecies.

Six Years in the Antarctic

TO spend six years of one's life in a completely frozen district of the Antarctic Zone is not a prospect which the average man would anticipate pleasantly. Yet that is the intention of the British Imperial Polar Expedition, whose vanguard, touching here on its way from England, sailed from Norfolk, Va., under Commander John L. Cope on Oct. 28. The program of this exploring party includes a six years' geographical, geological and meteorological survey of the ice-bound continent about the south pole with a view to its commercial development. The party included, besides Commander Cope, N. C. Lester, navigator; George H. Wilkins, 2d, photographer and surveyor, and Thomas W. Bagdhawe, geologist.

The enterprise, said the Commander, would be the biggest exploration expedition that has ever left England. More than 100 men, four ships, thirty dogs, several airplanes and an extensive wireless system are to be employed. A preliminary reconnoissance is to be made of 1,500 miles of unexplored ground and four years are to be spent in close study of the great Antarctic Continent by means of airplanes flying from a network of bases. The final object is a search for the mineral wealth which is known to lie in Antarctica. Commander Cope said:

We know there is copper, gold, silver, lead and even rubies in the chain of mountains that crosses the poles. Other expeditions have been adventures. This will be a commercial and scientific proposition.

American Occupation of Santo Domingo

By SAMUEL GUY INMAN

[EXECUTIVE SECRETARY OF THE AMERICAN SECTION OF THE COMMITTEE ON CO-OPERATION IN LATIN AMERICA]

THE outstanding impressions of a trip through the countries of the American Mediterranean are, first, the marked backwardness of most of them in matters of educational and moral progress, and, second, the overwhelming influence of the United States in their economic and political life. It makes no difference how much one may have read about the situation, it is impossible to realize until one has made a visit to them just how true it is that the United States holds these countries absolutely in the hollow of her hand.

A visit to Santo Domingo would be a real shock to Mr. Elbridge Colby, for example, who wrote in the September issue of this magazine: "We have never penetrated peacefully or otherwise into Santo Domingo, as we have peacefully and otherwise into Cuba. Our legal jurisdiction in Santo Domingo stops at the frontier custom houses and does not involve financial advisers, sanitary engineers, Americanized constabulary or a promise of future intervention, as in Haiti." It was precisely because the Dominican Government refused to sign a treaty giving the United States such privileges as it had in Haiti that the United States declared martial law and took over completely the Dominican Government.

ADMIRAL KNAPP'S PROCLAMATION

In spite of our handling the customs since 1907, revolutionary conditions grew so bad that in May of 1916 United States marines, to the number of 1,800, were landed, those in the north fighting their way across the island until they joined those at the capital in the south, who had been able to take charge with less difficulty. The United States naval authorities came into conflict with the Dominican civil authorities, and, in order to break the deadlock, Rear Admiral Knapp declared the country under mili-

tary rule of the United States in a proclamation dated Nov. 29, 1916. The following is a part of the proclamation:

Whereas, A treaty was concluded between the United States and the Republic of Santo Domingo on Feb. 8, 1907, Article III. of which reads:

"III. Until the Dominican Republic has paid the whole amount of the bonds of the debt, its public debt shall not be increased, except by previous agreement between the Dominican Government and the United States. A like agreement shall be necessary to modify the import duties, it being an indispensable condition for the modification of such duties that the Dominican Executive demonstrate and that the President of the United States recognize that, on the basis of exportations and importations to the like amount and the like character during the two years preceding that in which it is desired to make such modification, the total net customs receipts would at such altered rates of duties have been for each of such two years in excess of the sum of \$2,000,000 United States Gold."

Whereas, The Government of Santo Domingo has violated Article III. on more than one occasion; and

Whereas, The Government of Santo Domingo has from time to time explained the violation by the necessity of incurring expenses incident to the repression of revolution; and

Whereas, The United States Government, with great forbearance and a friendly desire to enable Santo Domingo to maintain domestic tranquillity and to observe the terms of the aforesaid treaty, has urged upon the Government of Santo Domingo certain necessary measures which that Government has been unwilling or unable to adopt; and

Whereas, The Government of the United States has determined that the time has come to take measures to assure the observances of the aforesaid treaty by the Santo Domingan Republic and to maintain the domestic tranquillity in the said Republic of Santo Domingo necessary thereto;

Now, therefore, I, H. S. Knapp, Captain of United States Navy, Commander of the cruiser force of the United States Atlantic fleet and the armed forces of the United States stationed in various places within the territory of the Republic of Santo Domingo, acting under the author-

ity and by the direction of the Government of the United States, declare and announce to all concerned that the Republic of Santo Domingo is hereby placed in a state of military occupancy by the forces under my command, is made subject to military government and to the exercise of military law applicable to such occupation.

The military occupation is undertaken with no immediate or ulterior object of destroying the sovereignty of the Republic of Santo Domingo, but on the contrary is designed to give aid to that country in returning to a condition of internal order that will enable it to observe the terms of the treaty aforesaid and the obligations resting upon it as one of the family of nations.

WHOLLY UNDER AMERICAN RULE

There follow five other paragraphs, stating that the courts will not be disturbed, revenues will be paid by the receiver to the military government (to be held in trust for the republic), calling on all to co-operate in restoring order, and stating that the United States would act under military law governing their conduct, all signed by Commander H. S. Knapp, on the U. S. S. Olympia, flagship, Nov. 29, 1916.

Since that date the Government of Santo Domingo has been absolutely in the hands of the military forces of the United States. How absolutely one is not prepared to appreciate until one goes to the country. A Rear Admiral of the United States Navy is the President of the republic, and his Cabinet is made up of officers of the United States Marine Corps. There is not a semblance of a Dominican legislative body. The following is the executive order of Dec. 26, 1916, suspending the Congress:

1. That the sessions of the Dominican Congress are suspended until after elections shall have been ordered and held to fill vacancies now existing.

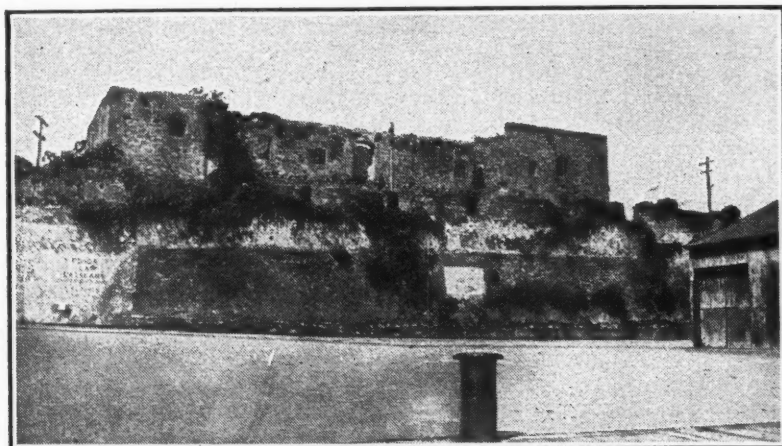
2. That the Senators and Deputies whose terms have not expired are likewise expelled from office until the full Congress shall have been called into session, and that their emoluments shall cease.

The laws are proclamations by the military authorities and are enforced by the 1,500 marines in the country and the national gendarmerie, made up of natives officered by enlisted men of the Marine Corps.

ADMIRAL SNOWDEN'S REGIME

One is deeply impressed with the fine spirit in which Admiral Snowden, who has succeeded Admiral Knapp, and his Cabinet are carrying on their work. They seem to regard it as a real missionary job. The Admiral said that when he first received the request from Admiral Benson, then in Paris, to go to Santo Domingo, he said abruptly, "I won't go." Benson's cable back to the department was, "Disappointed in Snowden." The department again put it up to Snowden, telling him he was holding up the whole navy program. So he decided to go. Now that he is down there, he has become so interested in helping these people that he would like to spend the rest of his official life working out the problems now before him. Colonel Lane of the Department of Education and Dr. Hayden in the Department of Sanitation have done particularly satisfactory work. Much complaint is heard about injustice of military rule in the interior and the low moral standards of the men; but one cannot help feeling, as one associates with the leading officers in the capital, that whatever mistakes they make are "of the head and not of the heart."

These American military forces, most of whom are facing an entirely new experience, have a difficult task before them. Since Columbus was imprisoned in the fort of her capital city, the history of Santo Domingo has been a sad one. Nowhere is the rise, decline and fall of Spanish colonial power so vividly exemplified as in Santo Domingo and its history, teeming with great names and with deeds now bloody, now paltry; with conquest and quarrels, discovery and piracy; with exploits and exploitation, slavery and revolution. Nowhere was there builded into the foundations of the civil structure that love of home, of popular education, and of equality before the law that has given to the United States whatever of stability its institutions may boast. Religious zeal was there, but it was exotic and misguided, seeking its finest expression in a monasticism that contributed little more than faint, intermittent protests against the



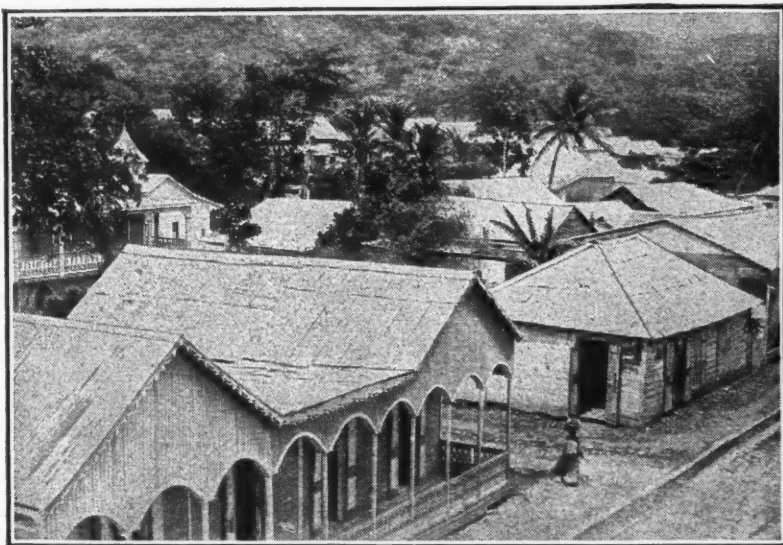
RUINS OF COLUMBUS'S PALACE, SANTO DOMINGO

general decay of popular morals, a decay caused largely by the brutal exploiting of subject peoples in the general greed for riches without labor.

A DESPERATE SITUATION

Today there is an utter absence of all the facilities and forces that we associate with modern civilization. The capital has no street cars, no sewers, water or telephone systems, only a few private electric light plants and no building ever erected entirely for school

purposes. Illiteracy on the island is estimated at 90 to 95 per cent. of persons over 10 years of age. Many country people have no sense of numbers above five. There are few roads, and the northern and southern parts of the island are like two different countries. Venereal diseases, hookworm, malaria and tuberculosis have run riot without any one knowing how to treat them. These things must be taken into consideration when we examine the accomplishments of the forces of American occupation.



THE TYPICAL DOMINICAN TOWN OF MOCA

The primary object of my visit was to survey the country and suggest a united program of service which could be undertaken to help in the island's social and spiritual development. Practically every person I asked as to what the people particularly needed, replied, "Everything." If I suggested this or that or the other institution or activity, the reply was, "Yes, anything you can do for these people will be worth while. Don't be afraid of duplicating or doing too much. That would be impossible."

After a week in the capital I drew up a tentative program and invited ten gentlemen to meet me at luncheon to discuss it. There were present the Admiral and his staff, or the President and his Cabinet, as you choose so to call them; the Chaplain of the Marines, the Archdeacon of the Episcopal Church, and others. Admiral Snowden expressed himself later in a letter as follows:

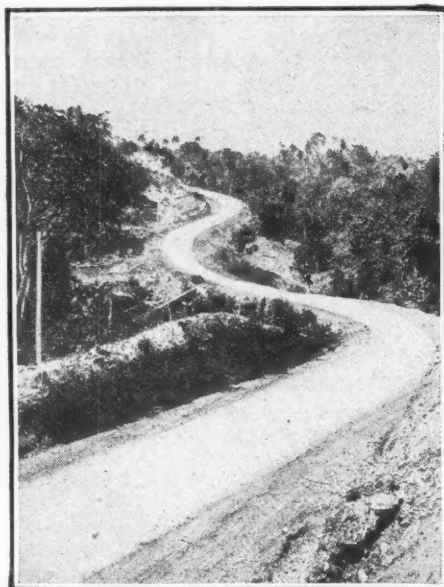
I beg to thank you for your hospitality of yesterday at the Enlisted Men's Club, which was a most enjoyable meeting. I was very much interested in the program you presented and which we discussed, and most cordially indorse the program and hope that we can arrange co-operation so that the many beneficial institutions there outlined can be materialized for the benefit of the Dominican people. These people are in the greatest need of the institutions therein specified. They are to a great extent a backward people who need an object lesson in modern ideas and ideals. They would be willing to help themselves later on, at which time they can be taught the value of these moral and industrial activities.

RESULTS, GOOD AND BAD

The good results of the military government are seen in the elimination of revolutions, the bane of the country for a century, the building of roads and port works, the gradual paying off of the national debt, the improvement of sanitation, the providing of stable conditions for business, and the improvement of the educational system.

It must be recognized that these improvements are made at the expense of much bad feeling between the governors and the governed. A military government is not designed to develop a people into self-expression or prepare it for self-government. In the first place,

there is too much government. Martial law always means regulation of every detail of life. People cannot meet in public gatherings to discuss their problems. The newspapers cannot discuss political questions, and criticisms of the



PART OF THE NEW AMERICAN-BUILT ROAD THAT IS TO LINK THE EXTREMES OF SANTO DOMINGO AND HELP IN THE CREATION OF NORMAL CONDITIONS

military government are not to be thought of. Individuals talk mostly in whispers if they answer adversely your inquiries as to how they like the present order. In the second place, a foreign military government, conducted largely by men who cannot speak the language of the people and who have no idea of their history or national psychology, must necessarily be an unjust government.

Some of the American officials do their work in as fine a spirit as any missionary who goes to serve in a foreign mission station; but this does not keep them from making great mistakes when they arbitrarily determine problems of taxation, education, and economic and social life. The United States Navy has not had sufficient experience in colonization to build up a body of experts in such



A RURAL SCHOOL IN SANTO DOMINGO

matters. Officers are changed too often to build up a body of experience, and enlisted men are too anxious to get home to take any interest in the people.

DEFECTS OF OUR SYSTEM

Two illustrations occur to me. With perfectly good intentions the Government was planning a land tax and was about to require all properties to be registered if retained by owners. But if this works out like the law requiring the registration of properties in Mexico passed a few years ago, it will mean that the properties of many of the poor, ignorant people and much of the community lands will be registered in the name of clever politicians who will thus build up great landed estates. The people were too ignorant to follow the requirements for registration of lands which they have worked for a lifetime without the consideration of a formal title.

In the matter of education a wonderful showing has been made in the primary schools, which have grown from an enrollment of some 30,000 four years ago to 120,000 at present, due to the efforts of Colonel Lane of the United States Marine Corps, the Minister of Education. Unfortunately, Colonel Lane has recently left the island, illustrating the too-prevailing custom of changing officials just when they are beginning to get into these problems. His efforts were centred upon combating illiteracy. There are no permanent educational

foundations laid for building up an adequate teaching force or training the children along industrial lines, which is the great need of the country. Higher education is almost wholly lacking, and the provision of former Governments to send a number of students to foreign countries has been discontinued by the military government because these students create certain political problems.

IGNORANCE OF LANGUAGE

The governors and the governed live entirely apart from one another, and there is practically no means of intercourse. While a few of the Dominicans have been employed to assist the Americans, they have thus largely cut themselves off from their own people. The Americans generally remain to themselves and the Dominicans do likewise, if for no other reason than the simple one that 99 per cent. of each party is unfamiliar with the language of the other.

This was brought home to me by a visit to Señor Federico Garcia Godoy, one of the most noted literary men in Latin America. American Army men in La Vega, his home, did not know of his existence. When he found out that I was not, as he supposed all American visitors were, a commercial traveler, and that I had read his books and knew some of his friends in the literary world of Latin America, he was simply overjoyed.

To meet an American who could talk of something in his world and not simply commercial topics, was a new experience for him. So all the time I was meeting choice spirits among both Dominicans and Americans who knew nothing of one another. The situation, which shuts out entirely from the molding of the national life some of these splendid Dominicans who are well known for their ability in other parts of the world, is an impossible situation.

ATTITUDE OF DOMINICANS

The Dominicans recognize that they have made a mess of governing themselves during the hundred years they have tried it. They are not unmindful of the benefits that have come from peace and increased prosperity enjoyed under American rule. Few ever expect to be entirely out from under American influence. Strange to say, however, I found most of them preferring their present situation to that of Haiti. They seem to reason about as follows: "The present military government is temporary. Public opinion of the United States and of the world will not allow it to continue once the situation here becomes understood by the outside world. If we should sign a treaty like that signed by Haiti, then we ourselves would be to blame for the loss of our sovereignty. Give us a treaty like the arrangement with Cuba. Then the United States can protect its commercial interests and help us to restore order if we return to political turmoil. But if we are good, then we can direct our own affairs."

The greatest difficulty with the present situation is that the people are not being prepared for government. The Dominicans have no responsibility placed upon them. They have no incentive toward progress except material prosperity. More of their children may be taught to read and write, and more may enjoy automobile rides on good roads, but the present military government, by its very nature, cannot give itself to the development of the nobler things of life. Indeed, in the interior of the country development is still held back by serious disorder, which in four years the marines have been unable to suppress.

The continuance of a severe censorship is probably doing more to cause dissatisfaction than anything else. Not long ago three Dominican newspaper men were arrested for criticising the military government and their cases were transferred from the provost court to a military court-martial. This news leaked out and was cabled all over Latin America, causing intense indignation. Telegrams from press organizations in many different countries reached President Wilson, asking him to spare the lives of these men, and he did. Two of these men, Fabio Fiallo and Américo Lugo, are authors well known wherever the Spanish language is read. One of them, who has formed a part of the literary circles of Paris, London and New York, was a delegate to the Third Pan-American Conference and heard Mr. Root make his famous declaration:

We wish for no victories but those of peace, for no territory except our own, for no sovereignty except over ourselves; we neither claim nor desire any rights, privileges or powers we do not freely concede to every American republic.

Americans who not only believe that Mr. Root here truly represented his people, but who are also anxious that the rest of the world believe this, will rejoice in the indication given by Secretary of State Colby recently that this military government temporarily imposed upon Santo Domingo may soon be abandoned for a happier solution of the situation. Speaking of the late Minister of Santo Domingo to the United States, Dr. Luis Galvan, who died in Washington on Aug. 2, 1920, Mr. Colby said:

His discussion of public business was always marked by good will and absolute candor. He exemplified in his official conduct all that a diplomatic representative of a foreign country should be. * * * His duties were at times rendered somewhat difficult owing to the immediate or rather peculiar situation in which the affairs of his country are at the moment and only temporarily placed; and yet, despite the difficulties and intricacies of that position, he bore himself in a way that has done very much to hasten the time when the purely benevolent and disinterested intervention of this country can be brought to a period.

[An equally illuminating article by Mr. Inman on Haiti appeared in the November CURRENT HISTORY.]

THE MOSLEM WORLD OF TODAY

By DR. J. F. SCHELTEMA

THE number of Mohammedans in the world is reckoned to be very close to 250,000,000. The great majority of them live in Asia, some 55,000,000 in Africa, some 13,000,000 in Europe, and, roughly speaking, 20,000 in Australia and Oceania, with about 60,000 in North and South America. Most of them are controlled by Christian Governments. Against approximately 18,000,000 who obeyed the secular authority of the Sultan of Turkey, apart from his Khalifal dignity, there were, at the outbreak of the war, rather more than 44,000,000 under Dutch, 45,000,000 under French, 100,000,000 under British rule, with 66,000,000 for India alone. Hence the population of the British Empire, which counts two followers of the Prophet to every inhabitant of the United Kingdom in Europe, is one-fourth Mohammedan. The war and the redistribution of conquered territories by the Allies brought changes which resulted, for the mandatory powers, in a large, not yet statistically specified, increase of Moslem subjects.

If, therefore, Islâm possesses no political unity, as the war has abundantly shown, religious harmony, too, does not belong to its most conspicuous attributes. A tradition, recorded by Abdallah Ibn Umar, informs us that the Prophet said: "Verily, it will happen to my people even as it happened to the children of Israel. The children of Israel were divided into seventy-two sects and my people will be divided into seventy-three. Every one of those sects will go to hell except one sect." Being asked what sect that would be, he answered: "The sect that remains in the religion professed by me and my companions."

As a matter of fact, the sects that divide the people of the Prophet number considerably more than the seventy-three of his prediction. Leaving out the historically significant Khârijites (lit. the quitters), so-called because they de-

serted their leader, the Messenger's son-in-law, Aly, repudiating his agreement with his rival Mu'âwiya, which, after the battle of Siffin, "submitted to men a decision that belonged to the Lord," and who now are extinct, barring the few scattered under the name of Abâdites in Omân and on the north and east coasts of Africa, we have as the two most important divisions of Islâm the Sunnites and Shi'ites. These are broken up again into eight leading subdivisions by the author of the Sharhu'l Muwâqif, and into five by others.

THE WARRING SECTS

The Sunnites, or folk of the right road, as the appellation implies, believe in the lawful succession to the Khalifate of the Prophet's companions Abû Bakr, Umar and Uthmân, while the Shi'ites, i. e., the followers or sharers and spreaders of dissent, reject those three as usurpers, considering Aly the first legitimate Khalif. The orthodox among the Sunnites outnumber the Shi'ites of various widely diverging tenets by about twenty to one; on the strength of the above-quoted words of the Prophet, they arrogate to themselves the epithet of najiyah (the saved), and fall, according to differences in the interpretation of the Koran in religious and legal practice, into the four main groups of the Hanafites, the Shâfites, the Mâlakites and the Hanbalites, adhering, respectively, to the teachings of the learned doctors Abû Hanifah an-Numan Ibn Thâbit, Muhammad Ibn Idris ash-Shâfy, Malik Ibn Ans and Ahmad Ibn Hanbal, and located, in the order of our naming them, in Anatolia, Irak and Central Asia; in Arabia, Egypt and India; in Morocco and elsewhere on the north coast of Africa; in Eastern Arabia and Africa.

"Let there be no compulsion in religion," commands the Koran (II., 257), in a passage intended to reprove some of the Prophet's proselytes who would compel their sons also to embrace their

new creed. Islâm has always shown itself very tolerant in matters of faith toward the unenlightened, to wit, those not illuminated by the spirit of their Book, especially where it concerned other possessors of heaven-sent scriptures, as the Christians and the Jews; nevertheless, with respect to sectarian strife among its own votaries, the injunction was habitually disregarded, on the principle, probably, that no worse hatred and dissension can ever be found than that which incites to mutual violence the members of one household. So much the greater, therefore, was the miracle of the Liberty-Equality-Fraternity display of the Young Turks in the early days of their power, resulting not only in the Moslem hugging the Christian and the Jew, but the Sunnite actually clasping the Shi'ite to his bosom, and vice versa. It reminded one of the scenes enacted in Constantinople when the Porte, smelling its political advantage in flaunting its friendly relations with revolutionary France, allowed red-capped beys and effendies to sing and dance the Carmagnole in the Sarai Maydan. The ebullition of universal brotherhood subsided just as swiftly as it had in the other case, without leaving a trace behind.

WHY PAN-ISLAMISM FAILED

Going on a new tack, the Young Turks, wishing to crush the inconvenient Arabian movement, tried to achieve that end by setting the Islâmic sects by the ears. This is one of the reasons why Pan-Islâmism proved in their hands a less formidable weapon against Western encroachment than Abd'al-Hamid II. had made of it. Pan Turanianism suffered from the same cause, largely to the profit of the Allied Powers and their European associates, who still go on profiting despite the discord in their own camp.

In addition to their playing on the traditional feuds between the Sheikhs of the Asir tribes, the Zaydite Imâm of the Yaman and the Emirs of South, Central and East Arabia, the Grand Sherif-King Husayn Ibn Aly of the Hejâz, ally of the Entente Powers against the Turks, was

kept from getting too pretentious by means of a subsidy and material assistance in the form of arms and ammunition to his hereditary enemies, the Wahhâbites, who, under the leadership of their Emir Ibn Sa'ud of Riadh, harassed him, thwarting his ambition to extend his reign over a more or less united Arabia. The disorder, thus stimulated in the Arabian as in other Moslem countries during the war, was and is reflected in the condition of Syria with Palestine. Always an outlet for the superfluous, adventurous population of Arabia, it stands as a specimen of the kind of reconstruction which we owe in the Near and Middle East to the wisdom of European diplomacy expressed in the different peace treaties, whose execution is hampered by mutually irreconcilable secret agreements.

SYRIA'S MANY RELIGIONS

Syria is a crazy-quilt of religions, no less than twenty-nine being officially recognized within its borders. The principal religious communities, grouped in the order of their numerical strength, are constituted of Mohammedans in the strict sense of the word, Maronites, Orthodox Greeks, Nusayries, Mutâwalies, Greek Catholics, Druzes and Jews. The Mohammedans are by far in the majority all through the country, including Palestine, where the Jews form a minority variously estimated at between one-fourth and one-tenth of the whole population. Befriended by the Porte, which recognized in them natural allies against the Arabs, their interests were certainly not neglected under Turkish rule: not even when the movement inaugurated by Theodor Herzl, *à l'instar* of the revival led by Judas Maccabaeus more than twenty centuries ago, began to threaten Ottoman sovereignty in Palestine. Although the moderate Zionists prefer to use the term National Home, substituted at the Congress of Bâle, in 1897, for that of Jewish State, Zionism did not retrench its aims and claims, pushing them with increasing vigor after Jerusalem was recovered from Islâm; and, in November, 1917, Mr. Balfour made his famous statement.

Indeed, Zionism has its innings in accelerated tempo, notwithstanding the loudly proclaimed principle of international equity, which lays stress on the inherent right of nations to determine themselves their form of government in accordance with their historically developed affinities; also notwithstanding the unanimous opinion of the Syrians, who, voicing their sentiments as a nation composed of more than 50 per cent. Mohammedans, object strongly to the alienation, religiously and racially, of a province which, geographically and ethnologically, belongs to them. Considered by itself, that province, the Holy Land of three faiths, has never been a land of harmony, and the thorny problem of its future progress can surely not be solved by disregarding the wishes of the great majority of its inhabitants.

Already civil strife is fostered by the Jewish immigrants, who, disdaining the example set by the Safardim in the countries where they sought and found refuge, refuse to learn the language of their new home, but insist on Hebrew as the linguistic medium of intercourse. Not only do their schools exalt Hebrew as "the spiritual flag and symbol" of Israelite Palestine, but, to quote a correspondent in Jerusalem, their speech, really a Yiddish jargon, mixed with Aramaic elements, with words and expressions imported from Germany, Poland and Russia, is forced upon every one. Many of the newcomers incite to reprisals by their arrogant behavior.

CAUSES OF MOSLEM UNREST

It is not in Syria with Palestine alone that western political ambitions in this or that guise react very dangerously on the attitude of the Moslem world. They imperil the situation in the whole Near and Middle East, not to mention the Far East. Franco-British amenities, together with broken promises and unredeemed pledges, are responsible for the recrudescence of anti-European feeling everywhere. The treatment experienced by the Emir Feisal carried a lesson detrimental to Moslem confidence in solemn compacts and covenants concluded with the Rums. French aggression is not palliated by the suppression of news

from the theatres of imperialistic expansion. The exigencies of Britain's changed policy after the success of her Persian coup may explain, though they do not justify, the volte-face by which she left her Arab allies in the lurch.

What is the immediate outcome of those doings? A fearful mess in the vast region between the Mediterranean and the Caspian, and far beyond; an aggravation of the volcanic possibilities against which General Sir George MacMunn cautioned when, succeeding Sir Alexander Cobbe in command of the Mesopotamian expeditionary force, he spoke of the discontent in Egypt, the renewed Wahhâbite activities in the Nejd, the restlessness of the Kurds, the flaming up again of Pan-Islamic and Pan-Turanian aspirations, the increased resistance offered to Britain's pacifying methods by well-armed tribes between Bagdad and the Persian Gulf, both on the Tigris and on the Euphrates.

Talking of pacifying methods, it should be remembered that the impulse to the nationalistic movement in Asia Minor was given by the Greek atrocities at Smyrna. We need not expatiate upon the fact that Bolshevik propaganda in Mohammedan territories, as among Mustapha Kamâl's bands, has been encouraged by the wavering measures and counter-measures of the Western Powers, which, extending their "spheres of influence" and swayed by traditional jealousies and rivalries, seem unable to adopt a firm course against the red enemy. The triumphs of western civilization—too often another name for western greed and rapacity—are producing, as usual, a very ugly state of affairs. Fortunately for the West, the East, on which it imposes its will, notably the Moslem East, is even more divided than itself. But with great vitality Islâm possesses great tenacity in sticking to a once fixed purpose, and, when the idea of coalition ripens, there may come a time for combined action against continued spoliation. The pre-war Arabian movement was already a step forward in that direction, and current events are well calculated to hasten it on. *Allah a'lam*, however; God knows best!

THE BRITISH IN CENTRAL ASIA

By LORD CURZON*

[BRITISH SECRETARY OF STATE FOR FOREIGN AFFAIRS]

DURING the last twenty-five years the great bulk of Central Asia has been drawn into the vortex of European politics. The Russian Empire, which we had regarded with apprehension, has for the moment been obliterated from the scene. Thibet, which was then scarcely known to the Europeans, has been penetrated not only by our arms, but also by our influence, which is likely to endure. China has become a republic, and now is in the throes of a military crisis, the upshot of which no one can foresee. Afghanistan, formerly more or less under the protection of Great Britain, has now acquired something like independence. During the last twenty-five years Central Asia has ceased to be a land of mystery and has become a land of acute political problems.

The whole of that area is seething with agitation and burning to establish some new form of government, presenting a new set of problems. The question which any British statesman has to put to himself is from what angle these problems in their younger development must be viewed. The solution of these problems depends most upon the security of India, and in the second place on how peaceful evolution of those countries to a happier state can be expedited. We must face the fact that the expansion of the British Empire in Central Asia is at an end, and rightly at an end. Our function in future is not to absorb territory, but to give security and to arrange that the evolution to a different, and, I hope, a higher state of things may be easier. We have to try to make islets in the ocean, peaceful spaces in the chaos, landing places in the storm.

In Thibet we have been accused of forcing our rule upon a modest and retiring people. History has proved that to be untrue. While we have been supposed to enter Thibet as aggressors and enemies, there are no European people more warmly welcomed there as friends.

The relations are entirely voluntary and are largely the result of the spirit inculcated by Sir Francis Younghusband.

In Persia, a country with which I have been very closely associated, and to which I have tried to be a good friend (and that has not always been easy), our efforts have culminated in the conclusion rather more than a year ago of the so-called Anglo-Persian agreement, by which I hope to assure the integrity and independence of that country. I have no other desire than that the agreement shall be ratified by the Persian Government and Parliament, and for months I have been pressing that it should be submitted to them. If they choose to accept it, and I am bound to say that in their own interests they should do so, the Government will use its best efforts to secure for Persia that chance which the history of her people and the spirit of the country appear to justify. If they reject our support and advice the responsibility will be upon them; but my conception of the Persia of the future is as a sovereign and independent State, capable of retaining her independent existence in the world and of sustaining the traditions of her past, but at the same time relying for support on the only great European power which is in a position to afford it.

With regard to Mesopotamia, no one can really imagine that any British Government can have any particular interest in spending scores of millions of money or in keeping a garrison in that country. What we desire is to fill the gap which has been left by the destruction of the existing form of government during the war. For the time being it has to be filled, because there is no one else to fill it but ourselves. No one has been a more sincere advocate of setting up an Arab form of administration in Mesopotamia

*This important official statement was made by Lord Curzon on Oct. 12, 1920, at the annual dinner of the Central Asian Society, of which he is President.

than I have, and Sir Percy Cox has now gone out to assist in carrying on that work. It is not a question of painting Mesopotamia red, but of making a stable spot there and of redeeming the country from anarchy. I hope we may succeed.

In Arabia aspirations and ambitions have been largely aroused by the recent war. Arabian ambitions as against Turkish rule have been justly fomented. Great difficulties have occurred, owing to the ambitions of other countries, but I shall bitterly regret it if out of this welter in which we are now engaged there does not emerge some form of Arabian unity worthy of the traditions of the past.

In Afghanistan there is serious trouble and commotion. I know of no country in Central Asia where the Bolsheviks have greater hopes of causing trouble to us. My own feeling is that even in the changed conditions the interests of Afghanistan and of Great Britain still remain identical. It will be a great misfortune for Afghanistan if she suffers her connection with Great Britain to be broken.

No one should suppose that the work of Englishmen in those countries is over. It may take years before this commotion subsides, and the Central Asian Society will have as great a part to play in the future as it has had in the past.

Death of General Leman

THE death of General Leman, the heroic defender of the Belgian city of Liège, was announced in London on Oct. 20. Liège was Belgium's Thermopylae, and its defense was an inspiration to all the armies of the Allies, a spiritual defeat for Germany.

Before the war General Leman was little known, except to his professional friends. Director of studies in the Belgian Military School, he had done important work in the training of Belgian officers. Germany's belligerent attitude in the Morocco crisis so alarmed Belgium that General Leman, raised to the rank of a Lieutenant General, was given the task of completing the defenses of Liège. It is now a matter of history that the check to the German Army before the walls of Liège made it possible for France to complete her mobilization unharassed by an immediate German invasion. The final success of the terrific German bombardments was only to be expected. The Liège forts were shattered, and General Leman himself was taken prisoner and sent to Germany. Before departing he wrote to the Belgian King this eloquent letter:

After honorable engagements on Aug. 4, 5 and 6, I considered that the forts of Liège could only play the rôle of forts d'arrêt. I nevertheless maintained military government in order to co-ordinate the defense as much as possible, and to

exercise moral influence upon the garrison.

Your Majesty is not ignorant that I was at Fort Loncin on Aug. 6 at noon. You will learn with grief that the fort was blown up yesterday at 5:20 P. M., the greater part of the garrison being buried under the ruins. That I did not lose my life in that catastrophe is due to my escort, who drew me from a stronghold where I was being suffocated by gas from the exploded powder. I was conveyed to a trench, where I fell. A German Captain gave me drink, and I was made prisoner and taken to Liège.

I am certain that I have shown carelessness in this letter, but I am physically shattered by the explosion at Fort Loncin. In honor of our arms I have surrendered neither the fortress nor the forts. Deign pardon, sire.

In Germany, where I am proceeding, my thoughts will be, as they always have been, of Belgium and the King. I would willingly have given my life the better to serve them, but death was not granted to me.

When General Leman recovered consciousness in the German lines he was met by a German officer, General von Emmich, who offered him his hand, and who, when the Belgian General sought to surrender his sword, waved it aside. "Continue to wear your sword, which you have not dishonored," he said. "You are indeed a man." General Leman was first confined at Magdeburg, but in April, 1915, he was removed to Blankenburg. After two years and a half he was released for internment in Switzerland.

New Light on Trotzky

Character Study of the Soviet Minister of War by a British Officer
at Close Range

CAPTAIN FRANCIS McCULLAGH of the British Army, who unearthed many new details of the murder of the Czar and his family at Ekaterinburg, has contributed to the October number of *The Fortnightly Review* of London a valuable study of Leon Trotzky, which sheds a new light on the Soviet Minister of War. Captain MacCullagh had been captured by Bolsheviks in Siberia early in 1920, and lived under the guise of a civilian for some time at Ekaterinburg, on the Russian side of the Siberian border, finally leaving Russia as a civilian refugee.

This British officer's attitude toward the Soviet régime, as shown by his previous articles, is that of a hostile critic. For this reason the high estimate he places upon Trotzky's abilities is somewhat unexpected. He depicts the Moscow dictator in a phase wholly contradictory to the usually accepted idea. During MacCullagh's stay in Ekaterinburg, Trotzky visited that city, where he had himself been a political convict in 1905; the British writer thus had an opportunity for close observation of his activities and methods.

Trotzky's object at Ekaterinburg was to set on foot the project for converting the Red armies into labor armies. His first step was to establish a newspaper called *The Red Tocsin*, which was printed by the First Revolutionary Army of Labor. It was issued to record the achievements of the former soldiers in the paths of industry. In this newspaper Trotzky used all his ingenuity to arouse interest in work. The achievement of Red workmen in repairing a bridge or a damaged locomotive was chronicled with the same enthusiasm that an American newspaper would devote to a football game. The unit of the Red Labor Army to which these workmen belonged was printed in the same way as troop units would be named in reporting a war skirmish. The

work of army and village and factory schools and the reduction of illiteracy was made a matter of brisk competition. Instead of sending news about husbands who poisoned their wives, and ex-officers who murdered their sweethearts, correspondents in outlying districts sent exclusive wires about old women of 60 who had been taught to read, and about butchers' boys who had qualified for professorships.

"There was poetry, too—a great deal of it—but it was not the poetry of war," says Captain MacCullagh. "It celebrated the work of the turner, the fitter, the plowman, the tinker, the tailor, the candlestick maker, and not the exploits of the warrior. One poem which I saw was addressed by an engine driver to a 'sick' engine, as the Russian railway men call a locomotive which is laid up for repair; and the point of it was that the thousands of sick engines with which the railway lines were covered should be nursed back to health with as much care as if they were sick children."

PEN PICTURE OF THE MAN

"Ekaterinburg was gayly decorated in honor of Trotzky's visit," says the writer, "but the Bolshevik Minister of War came, unostentatiously enough, in the night time and refused to hold any parades, inspections of troops, or any other formal functions whatsoever. He is a slight-built, wiry man of medium height, dressed as a private soldier, and without any decorations. He wore on his head a curious cap which has been invented for the higher officers of the Red Army. It is of khaki cloth, is cut in the style of the steel helmet worn by the ancient Russian *Bogatyr*s (Knights), and the whole front of it is covered by a huge star, the Red Star of Bolshevism.

"He wore no belt and carried no weap-

"on; his face is sallow, Mephistophelian,
 "and distinctly Jewish; his eye dark and
 "bright; his beard and mustache scanty.
 "His movements are quick and ani-
 "mated, and his capacity for work su-
 "perhuman. The employes on his train
 "told me that they led
 "a dog's life of it. The
 "typewriting girls were
 "kept working all day
 "and far into the night.
 "His numerous secre-
 "taries were glued to
 "their desks all day.
 "His telephonists were
 "speaking into the re-
 "ceivers or taking down
 "telephone messages for
 "twenty hours out of the
 "twenty-four. Moreover,
 "he published on the
 "train a newspaper
 "called *En Route*, in
 "which he had articles
 "every day, and he dic-
 "tated, besides, numerous
 "'leaders' for the local
 "papers in the towns
 "through which he
 "passed. He delivered
 "long public speeches
 "several times a week,
 "and spent at least six
 "hours every day pre-
 "siding over conferences
 "of Commissars, railway
 "officials, factory men,
 "and even doctors. He
 "had fitted to his train
 "a wireless apparatus
 "which kept him in con-
 "stant communication
 "with Moscow, and he received daily
 "interminable messages from all the
 "fronts, north and south, as well as the
 "communications received from the Brit-
 "ish and other foreign Governments, not
 "to speak of a vast amount of technical
 "material sent by his own War Office.
 "He employed about a dozen secretaries,
 "a tame editor to run his paper, a num-
 "ber of tame diplomatists to look after
 "diplomatic affairs, and several domesti-
 "cated Czarist officers to deal with
 "purely military matters. He put the

"fear of Trotzky, if not the fear of God,
 "into all these subordinates; but they
 "rather gloried than otherwise in their
 "servitude."

Captain MacCullagh says that the
 stories told of Trotzky's revels and dis-



LATEST PORTRAIT OF LEON TROTZKY, SOVIET WAR
 MINISTER, IN HIS MILITARY UNIFORM

sipation are obvious nonsense. The only
 dissipation the Bolshevik War Lord al-
 lowed himself at Ekaterinburg was a
 short walk every day in a beautiful pine
 grove where the writer used to walk
 himself, and an hour's hard physical ex-
 ercise daily, shoveling snow from the
 railway track. In this physical exercise
 Trotzky made every man, woman and
 child in his train take part; and the ex-
 ample he thus set was good, says the
 author, for the educated Russian has the
 same contempt for manual labor as the

white sahib has in India. Even Mrs. Trotzky, Master Trotzky (a boy of 11 or 12), and Master Trotzky's governess, a young Jewess of 20 or 25, had to shovel snow like the rest; and this craze for manual work remained even when Trotzky was not looking on, for when MacCullagh afterward traveled to Moscow on the same train with the governess he noticed that she sometimes got out at the wayside stations, took the pickax from the mujiks who were breaking up the thick layer of ice that had formed on the station platform, and set to work herself with an enthusiasm which was, however, very much greater than her skill.

Immediately after his arrival in Ekaterinburg, Trotzky plunged into work, and Captain MacCullagh marvels at the "audacity" with which he tackled tasks that ordinarily would be left to experts. The writer goes on to tell how Trotzky succeeded in stopping the terrible wastage of men caused by typhus, and the extraordinary energy which he infused into the campaign to exterminate lice and to compel the authorities to provide bathing facilities for the Russian soldiers and civilians; details are given of the various devices employed in the extraordinarily energetic propaganda which he put into execution with remarkable results.

TROTZKY'S ORATORY

Of Trotzky's ability as an orator, Captain MacCullagh says:

On the day after his arrival, Trotzky addressed a large Communist meeting; and here I might remark that no such thing as a public meeting in our sense of the word is ever held in Red Russia. The Bolshevik leaders only address meetings which have been carefully packed with their supporters, and I only know of one case in which it was announced beforehand that they were going to speak. It is impossible for any one who is not a Bolshevik to find out when Lenin is going to speak in Moscow, the reason being simply fear of assassination, and it is next to impossible for a non-Bolshevik to hear him. Trotzky, who is a consummate orator, made a very able speech, of which the keynote was briefly this:

"We have defeated Kolchak, but a much more serious enemy remains, namely, the ruined economic system of the country. To put that right, we must

work harder than men ever worked before since history began. Sixty per cent. of our railway locomotives are out of action, and if they continue breaking down at the same rate we shall have 99 per cent. out of action within three months, which means a total breakdown of our transport system, and therefore of our system of government. These engines must be repaired. The men who repair them must have food and fuel. The railway lines must be cleared of snow. Wood must be cut and brought to the railways. The Ural factories must be started. This means that all must work, work, work."

The writer describes the remarkable arrangements by which the speech was echoed and re-echoed all over the country, placarded upon walls everywhere in Russia, and repeated by every village orator throughout the Urals.

TREATMENT OF WORKMEN

Regarding Trotzky's treatment of the working classes, Captain MacCullagh writes as follows:

Trotzky's treatment of the working classes was marked not only by an absence of flattery, but even by an autocratic touch which one would never have expected. Finding on his way from Moscow to Ekaterinburg that the workmen in a certain Ural factory were not working hard enough, he had fifteen of the worst "slackers" arrested and placed on trial before a workman's tribunal in Ekaterinburg. At one point on the line his train was stopped by snow, whereupon he had the whole of the local Soviet taken into custody for disobedience to the order for removing snow from the track. They also were tried before a jury of their peers; and, while the case was still sub judice, Trotzky wrote, over his own name in the newspapers, a ferocious onslaught on the accused, whose condemnation was thus made certain. He did not say anything about their delaying him, but he inveighed against them for delaying the trains which brought bread to the women and children of Moscow and to the Red workmen who had hurled the tyrant from his throne and stood in the breach against Denikin and Yudenitch.

Trotzky's train consisted of about a dozen carriages, but it could not be described as sumptuous, consisting mostly of wagon-lits cars, all of them, save Trotzky's own car, being very much overcrowded with personnel, typewriters, desks, writing tables and documents. All the personnel ate together in a large dining car. The Minister of War had, I believe, a small dining compartment where he had his meals with his wife and family and a few of his principal assistants. The dining car was used most of the time

as an office, for conferences, for Socialistic lectures and for educational purposes.

Trotsky's train was covered with advertisements of Bolshevism and with incitements to class hatred. A dozen Lettish guards travel on the train and kept careful watch on every one who approached or entered it. Captain MacCullagh says that the police precautions taken to protect Lenin and Trotsky are as minute as those formerly taken to protect the Czar. No one can enter the train without permission, and the names of those who have the *entré* are pasted inside the doors. The few who are entitled to enter the office car of the National Commissar can go right through the train. The nearer they approach the official the shorter is the list of names, until finally at the Commissar's car there are only three or four names, one being that of the private secretary, "the sole link between the holy of holies and the common herd."

TROTSKY'S MENTAL ABILITY

Regarding Trotsky's ability, Captain MacCullagh writes as follows:

Trotsky, to do him justice, is a very extraordinary man, and is idolized by the Bolsheviks, who say, and with truth, that he is the most remarkable Minister of War that Europe has produced during the last six years of Armageddon. He formed a numerous and well-disciplined army out of men who were sick and tired of warfare, and who only supported the Bolsheviks originally because the Bolsheviks promised them peace. He did this despite the fact that he himself had never been in the army or studied warfare, except as an extremely anti-militarist war correspondent during the first Balkan war. He had been all his life an obscure journalist, and, if he had joined the British Army in 1914, would never have risen above the rank of Lieutenant, would have been used exclusively as an interpreter and would have had for his main occupation the buying of eggs for a Brigadier General's breakfast table. Yet he possesses a very exceptional power of organization, an extraordinarily quick brain, and a marvelous faculty for mastering in a short time the most difficult and complicated subjects.

Most men find it hard enough to deal with one engrossing subject at a time, but he switches from one important matter to another a dozen times in the course of a single day, and comes to a rapid and generally a right decision each time.

Leroy-Beaulieu says that "the Jewish mind is an instrument of precision; it has the exactness of a pair of scales"; and Trotsky has all the mental precision and the extreme intellectuality of his race. Owing to this fact and to the fact that he is very ambitious and is endowed with ruthless physical energy and with a personal bravery which one does not always expect to find in a Jew, I am doubtful if Trotsky will always remain a Bolshevik or will always submit to the deeper but less agile Lenin. Trotsky resembles Lloyd George in many respects, and I should not be surprised if, like Lloyd George, he becomes practically a dictator. He could do so tomorrow if he liked, for he has the Red Army with him, and his War Office in Moscow is a fortress bristling with machine guns and filled with troops who are devoted to him.

If to be a great orator is to have an extraordinary command of language and gesture, a facility for finding the right word and coining the perfect phrase, a capacity for leading up to a climax where the audience holds its breath and you could hear a pin drop before the roar of delirious applause greets the last master-touch, then Trotsky is a great orator. His style is necessarily that of Limehouse; and he certainly finds plenty of material in the capitalist system and in the diplomacy of Europe for the last two years.

HIS ORATORICAL METHODS

In one of the many speeches he delivered in Ekaterinburg he quoted a dispatch of Lord Curzon in which that statesman considered the question of acknowledging for a moment, not the Government, but the existence of the Bolsheviks, in case the latter mended their manners and respected the ordinary conventions of international intercourse.

"Ordinary conventions of international intercourse!" repeated Trotsky, and then he went on to describe the troubled period of July, 1918, when the foreign Ambassadors left Moscow. He said that Mr. Lockhart, then our Consul General in Moscow, used often to call on him at that time and to show great sympathy with him in his difficulties. Suddenly Captain Sadoul, of the French Mission, warned him that Lockhart was all this time engaged, with his English and French colleagues, on a plot to murder Lenin and Trotsky, to blow up railway bridges which would have meant the starvation of thousands in Petrograd, to dynamite trains full of soldiers, and to bribe many leaders and soldiers of the Red Army to desert. "And these are the people," said Trotsky in conclusion, "who complain that we do not observe all the niceties of diplomatic etiquette!"

I quote this merely as an example of his style of oratory, which is logical and adroit, crushing and vitriolic.

People so tired of oratory, as we are in England, can form no conception of the delight which the Siberian workmen take in hearing plain speaking about capitalists and Kings. They themselves are often political convicts, or the sons of political convicts, and for hundreds of years their country has been a vast prison

where the word "freedom" dare not be breathed. It dare not be breathed now, as a matter of fact, but the yokel does not notice that in his delirious delight at hearing the maddening eloquence of the Bolshevik War Lord, and at seeing the red-capped ex-convict, who makes Kings tremble on their thrones, standing with his foot on the neck of a dead Czardom and his hand pointing to the Red flag overhead.

How the Czechs Are Using Their Liberty

By ELEANOR MARKELL

THE son of a coachman, apprenticed to a locksmith, later to a blacksmith, official assistant at funerals, teacher, professor, author, lecturer, member of Parliament, revolutionary exile, President—such is the history of the remarkable man at the head of the Czechoslovak State today. America, with all her vaunted democracy, has nothing to equal it.

I shall not soon forget the impression made on me by President Masaryk: A scholar and at the same time a man of affairs; a practical man, who discussed with me the minute needs of the farmers and dairymen, and yet a man of vision, who saw far into the future while his country was still under the hated Austrian yoke; above all, a simple man, with the simplicity of the truly great; stern and unyielding when principle is assailed, but ready to compromise with an opponent on less vital points.

Witness Teschen. I reached Prague the day of the announcement of the Teschen decision by the Peace Council. Ever since the armistice Teschen, with its rich coalfields, claimed by both Poland and Czechoslovakia, had been breeding enmity between the two peoples. The plebiscite decided upon by the Peace Council was twice delayed until the inevitable occurred—armed clashes between citizens of the two nations. It was evident to the more thoughtful leaders of both sides that delay was proving a most dangerous factor, and a settlement was demanded.

Teschen has a population of about 434,000. Of these 115,000 are Czechs, 35,000 Germans and 200,000 are claimed

by the Poles. But of the last-mentioned group nearly 100,000, while speaking the Polish language, are not Polish, but descendants of the original inhabitants, and the Czechs believe these are in sympathy with them and wish to be under their direction. That the Poles also found this to be true is indicated apparently by the *volte face* they made in regard to the holding of the plebiscite. Claiming that the Entente had not sufficient troops in Teschen to insure an honest election, they had worked for postponement, and finally, after starting on their self-appointed mission to save the world from Bolshevism, they petitioned the Supreme Council to make the decision itself and do away with the plebiscite altogether, on the ground that they needed all their energies to defeat the Red Army.

THE TESCHEN DECISION

This the Czechoslovak Government agreed to, with the result that in the decision their country received the absolute minimum of the claim made. The greater part of the coalfields at present being worked, together with most of the town of Teschen, went to Czechoslovakia, but to Poland were given the undeveloped coalfields of the region, among the richest in Central Europe.

It was generally felt that had Dr. Benès held out for the plebiscite as originally agreed upon by the Peace Conference his country might have received a much larger share. All along the line of the railroad through Poland on July 19 we saw excited groups at the stations

discussing the news. There was evidently great dissatisfaction throughout the country, and in the Commission of Foreign Affairs, when Dr. Benès presented his report, it was accepted by a majority of just one vote. Only a statesman can see the value of compromise for the sake of peace in these troublous days in Europe; the lesser men and the mob would fight.

Dr. Masaryk has held all through this trying time that, much as his new State needed the coal of Teschen, it needed even more the friendship of Poland, and he has lived up to that conviction. It is characteristic of the simple dignity of the man that, in speaking to me of this subject, he should have concluded with these words: "Now that the matter is settled, I hope there may be peace between us and Poland."

Universally beloved, his influence enormous, unfortunately his actual power is very limited. This is most to be regretted in the course taken by the new State in regard to two of the six races which make up the population—the German Bohemians and the Slovaks. It is said that when the new State was formed, two years ago, even the German element could have been won over by wise treatment, but that now, alienated by petty persecution in regard to language (for to speak German in Prague at one time was to be regarded with suspicion), and in regard to industry, where they were discriminated against in favor of the Czechs almost universally during the first year of the republic, they have been almost hopelessly estranged. Nevertheless, with the actual coming into being of the republic and the election of Deputies of Parliament, according to the wise system of proportional representation, which Czechoslovakia was the first State of Europe to adopt, and with the elimination of the Kramar anti-German group, a new era has dawned.

SLOVAKIA'S GRIEVANCES

It is in regard to Slovakia that the greatest internal problem of the Czechs lies, and it is in Slovakia that their course has most lacked wisdom and that its results are most deplorable. Two years ago the Slovak peasants, suddenly

freed from the galling yoke of the Magyars, welcomed the new State, if not with enthusiasm, at least as a relief from their sufferings of centuries. Today it is the common belief in Central Europe that Slovakia would return to Hungary if allowed to do so—that twenty-four months of Czech rule have accomplished what centuries of Magyar effort had failed to do, namely, brought about the adherence of the Slovaks to the Magyars.

The Slovak peasants have been alienated because they have been forcibly prevented from following a custom hundreds of years old—the custom of going down to the rich grain fields of Hungary to assist in the harvesting. In return they were allowed to take back with them to Slovakia one-tenth of what they had harvested, enough to provision their families until the next harvest. It was obviously impossible, on account of political effect, for the Czechoslovak Government to allow that system to continue, but the result has been the loss of livelihood by the Slovak peasant and his detestation of the Government which has brought it about.

The second element in Slovakia, its "intelligentsia," has been alienated by the language prohibition. Hungarian was the language of seven-tenths of Slovakia. The insistence upon Czech as the official language and as the language taught in the schools (of which, in justice to the new Government, we must add, many new ones have been started) has estranged another important element in Slovakia.

When the Czech soldier returned from his truly remarkable work of the war—and mostly in foreign countries, be it remembered—it was necessary, as he was demobilized, to provide employment for him. Too often this was done by dispossessing Slovaks, always under the claim that they were Hungarian, and putting the Czech soldier in possession. This method has been followed in tens of thousands of cases, and thereby a third element of Slovakia, the propertied element, has been estranged. I was told by a competent American authority that altogether the treatment accorded to Slovakia rivals that of Bohemia in the

old days by the Austrians, of which the Czechs so bitterly complain.

All agree, however, that Dr. Masaryk, far from approving, would have stopped the practice had he had the power; he has, indeed, at last done so, but at the expense of losing one of his strongest associates in the Government, Dr. Kramar. The pregnant reply of Dr. Masaryk to an American official, who had seen many Slovaks dispossessed of their homes and was trying to learn the reason, epitomizes the situation. He told me that Dr. Masaryk listened to what he had to say, smiled sadly, and said: "Much must be forgiven us. Remember, we are only in the honeymoon of our liberty."

Czechoslovakia is the bourgeois State of Europe, as Hungary is the aristocrat's and Yugoslavia the peasant's State, and the people have the virtues as well as

the faults of the bourgeois. Czechoslovakia is a country where every one is hard at work; her currency is in a better condition than that of surrounding States, largely owing to the fact that the Government has had the courage to deflate rather than inflate its volume; her fields are planted to sugar beets for export by her courageous people while they still lack wheat for their own consumption; her industries—glass, porcelain, textiles—are running, albeit at greatly reduced ratio to pre-war production. Her coal production is 62 per cent. of that before the war. Her people are the most hopeful that I saw in Europe.

And to crown all, for seven years they are assured of the wise guidance of Dr. Thomas G. Masaryk. Altogether, of all the States of Central Europe I visited last Summer, Czechoslovakia seemed best started on the road to becoming a successful modern State.

Winners of Nobel Prizes

THE Nobel Prize for Literature for 1920, it was announced toward the end of October, has been awarded to Knut Hamsun of Norway. Hamsun has been regarded since the death of Strindberg as the greatest living writer of fiction in all Scandinavia. He was born Aug. 4, 1860, in one of the valleys of Central Norway. When he was only 4 years old his family moved to the far northern district of Lofoden, where there is but one day and one night in the whole year. The Taine theory of environment might well be invoked in the case of Hamsun, for the depression of this small northern hamlet shows itself through nearly all his work. His education was acquired in the intervals of labor performed in many callings—as coal heaver, road mender, school teacher, surveyor, farmhand, lecturer and journalist. He twice visited America in the early '80s, working chiefly in Chicago and other parts of the North. At one place he

served as a street car conductor. He is the author of numerous plays and a work on literature in America. His book "Hunger" was published in the United States. His works have been translated into twenty-three languages, and the total editions cover 65,000,000 pages.

Dr. Jules Bordet of Brussels, eminent for his studies on toxic actions and bacilli, was awarded the Nobel Prize for 1919 in the domain of medicine, and Professor August Krough of Copenhagen, a well-known oceanographer, who had made important discoveries regarding sea water, the same prize for 1920.

The Nobel prizes in physics, chemistry, medicine, literature and peace were established by Alfred E. Nobel, the Swedish scientist and inventor of dynamite, who died in 1896. The value of each prize is about \$40,000, and comes out of the interest on the fund of \$9,000,000 left by Mr. Nobel.

The German Shop Councils Law

Analysis and Text of the Radical Measure That Gives Workmen a Share in Control of All Factories

THE Shop Councils bill, one of the most radical examples of economic legislation since the war, was passed by the National Assembly of Germany on Jan. 18, 1920. This legislation was not initiative, but confirmatory; in other words, it only gave official sanction to an established fact. To the adherents of trade unionism it meant official approval of a rival whose power had grown ever more swiftly since the revolution; to the employers of labor it signified the end of arbitrary rule; to labor itself it brought mastery in shop and factory politics.

COUNCILS AND UNIONS

The history of the rise of these workmen's or factory or shop councils* is extremely interesting. At the outbreak of the German revolution there were formed in many of the large industrial plants so-called workmen's councils, which were by no means primarily industrial, but rather political, in character. These new organizations aspired to nothing less than the converting of society into new forms. Their strength, however, did not spring from their radicalism, but from the fact that they made themselves extremely useful in the economic domain. When, after the revolution, the new democratic Government came in these councils were called upon to dissolve. This, however, they showed themselves frankly disinclined to do. In the tumultuous period following the downfall of the monarchical régime they had boldly faced the employers of labor, dictated and threatened, and by the calling of "wild strikes" had wrung important concessions from the intimidated owners, and this they could not forget.

Being intelligent, they perceived that

they had found a new and effective instrument of power. This led the laborers to turn away from the tactics of the old trade unions, and to conceive a strong distrust of the policies represented by the union leaders. The trade unions had not allowed the revolution to affect their traditional policy. In November, 1918, they had concluded a working agreement with the united employers' associations, which gave the workers a voice in the management. With this, however, a large proportion of the workmen were not content. Through the established shop councils they saw their way to take advantage of the employers' difficulties and to enforce their demands. The leaders of the trade unions, seeing that many of these demands were extreme and destructive in tendency, refused to follow them. The attitude of the new organization was that the old, conservative organization had outlived its usefulness and must vanish from the scene, and that the workmen's councils must take over its prerogatives.

LEGAL STATUS OF COUNCILS

It soon became evident to the new Government that the shop councils, conscious of their new-found power, could not be reduced to subjection, and that, on the contrary, political expediency demanded that they should be sanctioned. In the Spring of 1919, therefore, it issued an official statement which assured the councils' continuance. This statement was as follows:

The workmen's councils are fundamentally recognized as representatives of economic interests, and are grounded in the Constitution.

The promise thus implied was fulfilled in the drafting of Article 165 in the new German Constitution. That article provides for three classes of workers' councils—factory, district and national—and it opens with this guarantee:

*The nomenclature varies in English translations. "Shop Councils" is approved by Mr. Redfield in his translation of the article cited on the following page.

The workers and office employees are qualified to take part with equal rights in co-operation with the employers in the regulation of wage and labor conditions, as well as in the entire economic development of the productive forces. The organizations on both sides, and their unions, are recognized.

The National Workers' Councils, when finally established, together with the employers' organizations, will form the Reichswirtschaft, which will handle the great economic questions affecting the whole nation, and will be empowered to initiate bills before the National Assembly.

When the Workers' Council bill was presented in the Reichstag it was satisfactory to no one. During the first two readings some 240 changes were proposed. The Centre insisted that a clause be inserted "forbidding employees to take any measures harmful to the general interest." The greatest objection raised by employers, next to giving employees virtual control, was against Article 35, which compels employers to place their pay books at the disposal of the committee appointed to fix wages. The Social Democrats wished the number of employees necessary to form a separate council reduced from fifty to thirty. The bill was finally scheduled for action on Jan. 18. Despite predictions of "a serious conflict" and "a political crisis," the measure was passed triumphantly, and the young German Republic stood fully committed to the most radical labor reform scheme ever attempted by that nation. It was a law that fixed the relationship, for better or worse, of German labor and German capital, and in large part to the advantage of labor.

On the day following the passage of the bill, Herr Otto Bauer, the Chancellor, emphasized the significance of the bill in a public interview, and pointed out some of the more important of its effects. One of the first of these, in his opinion, would be the checking of the radical element, which under the new law—with its proviso of secret balloting—would be unable to influence labor elections by intimidation in open

meeting. Declaring that the law was inevitable, Herr Bauer said:

These strong radical elements are present in German life because in the past labor was so oppressed, and oppression breeds such revolts, while concessions make safe progress possible. Such measures as our shop steward law are bound to come in all industrial countries; you must prepare for them in America, too, where it is apparent that economic forces are shaping a conflict. All industry has been developing at the expense of the worker. The more the machines did, the less the worker was permitted to count, until he became just such a thing as the machine. The war, with its profound lessons, has made the world realize that a new economic structure must be fashioned in which the worker has some intellectual scope. He must have a voice in the determination of problems touching him most closely; he must gain an insight into the management of the industry which employs him.

ANALYSIS OF NEW LAW

The law contains some fifty articles that deal directly with the Shop Councils. Further legislation on the District and National Work Councils is expected during the coming Winter. From an analysis of the law given in the *Economische Statistische Berichten* and translated by Arthur H. Redfield, Trade Commissioner at The Hague, the following main features may be summarized:

The Shop Councils are elected generally for a year by the workmen employed in a shop or factory. Their creation or dissolution does not depend on the employer, but is established by law in all shops with at least twenty employees. The number of members is not limited, but must consist of at least three; in large industries every department may be represented by a council in the General Work Council. The councils have much more than merely advisory powers; they are essentially organs of control in the management. Article 34 lays down that the Shop Councils must further the economic interests of the employee as against the employer, yet must aid the employer in attaining the objects of his concern.

In matters of dispute, the equal power of the council and the employer is guaranteed by the provision that if no agreement can be reached the council can call for a decision by a court of arbitration. "The employer has thus been compelled to surrender, indeed, a considerable part of his power, but he has not been made subordinate to the representatives of the

workmen; he has been placed on equal terms with these."

The activities of the Shop Councils extend likewise to the commercial part of the business. This is logical, inasmuch as joint management brings joint responsibility for ultimate success of the enterprise. The provision empowering the workmen's representatives to sit on Boards of Directors is similarly explained. Where no Board of Directors exists, the employer must keep the councils informed of the status of the business. The councils, in respect to the hiring or dismissal of employees, are given a decisive voice, and their refusal to sanction either if they consider it prejudicial to the interests of the concern or of the workman cannot be passed over without an appeal to the court of arbitration.

The task of the Shop Council is not limited to these functions. It must also have supervision over the calling of strikes, which it must not sanction without the taking of a secret ballot, in which only a two-thirds majority must prevail. The council co-operates in the introduction of new methods of work, and has joint control over the welfare work established in the plant, including the prevention of accidents.

TEXT OF SHOP COUNCILS LAW

The text of the most important section of the German Shop Councils law, namely, Section III., reads as follows in English:

FUNCTIONS AND COMPETENCE OF THE FACTORY ORGANIZATIONS—A. SHOP COUNCILS.

ARTICLE 66.—The functions of the Shop Council are:

1. In factories run for commercial purposes they shall support the management with their advice, with a view to co-operating with it in order to maintain the highest standard possible and the most economic running of the works.
2. In factories run for commercial purposes they shall co-operate to encourage new methods of work.
3. They shall protect the factory from unrest; more especially they shall call in the officers of the Arbitration Committee or of any other agreed arbitration or appeal body in the case of disagreements between the Shop Council, the workers, a group of workers, or a number of workers and the employer, in the event no agreement has been reached by negotiation.
4. They shall use their influence to secure the execution of verdicts of the Arbitration Committee or of any other agreed arbitration or appeal body affecting the whole body of workers, where such verdicts have been accepted by both parties.

5. They shall negotiate with the employer general conditions of employment or alterations of such, on the basis of existing wage schedules, and in conformity with Article 75 of this law.

6. They shall encourage friendly relations within the body of the workers themselves, as also between workers and employers, and they shall protect the workers' right of association.

7. They shall receive the complaints of the Workers' and the Employes' Councils, and they shall negotiate with the employer, with a view to rectifying such complaints.

8. They shall direct their attention to the prevention of accidents and sickness in the factory, shall support the inspectors and other authorities concerned with their suggestions, advice and information, and shall use their influence to obtain the execution of factory inspection orders and safety regulations.

9. They shall co-operate in the administration of pension funds and housing arrangements, as also in other factory welfare work; provided, that in the latter case such representation is not forbidden by trust deeds binding upon the management, or by will or some other system of workers' representation thereby already instituted.

ARTICLE 67. Clauses 1 and 2 of the above article shall not apply to concerns run for political, trade union, military, religious, scientific, artistic and other similar purposes, in so far as the special aims of such concerns make such exception necessary.

ARTICLE 68. The Shop Council shall, in the course of carrying out its duties, use its influence to avert demands or measures on either side calculated to injure the common interest.

ARTICLE 69. The management shall take over the execution of resolutions jointly resolved upon by itself and the Shop Council. The Shop Council shall not be entitled to interfere in the management by issuing independent orders.

ARTICLE 70.—In businesses where there exists a Board of Directors and where no corresponding provision is made for representation of the workers on such board by the terms of another law, one or two members of the Shop Council shall be delegated to join the Board of Directors, as representatives of the workers' interests and demands, and also of their views and wishes regarding the organization of the factory; a special law shall be passed for this purpose. These representatives are entitled to attend and vote at all Directors' meetings, but shall receive no salary other than reimbursement of their expenses. They are bound to observe secrecy on confidential business communicated to them.

ARTICLE 71.—In factories run for com-

mercial purposes the Shop Council is entitled, with a view to carrying out its duties, to demand of the employer that he supply information to the Shop Committee, or, where there is no Shop Committee, to the Shop Council, concerning all events in the factory relating to labor contracts and the work in the factory, and to lay before them for inspection the wage sheets and the figures necessary for the compilation of established wage schedules, provided that thereby no commercial or trade secrets be exposed, and provided that there be no legislative enactments to the contrary.

ARTICLE 72—In concerns which are under an obligation to keep company accounts, and which regularly employ not less than 300 hands or fifty office assistants, the Shop Council shall, after Jan. 1, 1921, be entitled to demand that a balance sheet and a profit-and-loss account for the preceding year shall be laid before its members each year for their inspection, and shall be accompanied by explanations, not later than six months after the winding up of the financial year; a special law shall be passed to regulate the details.

Members of the Shop Committee or the Shop Council are bound to observe the confidential nature of information supplied to them.

ARTICLE 73—The provisions of Articles 70 and 72 shall not apply to concerns defined under Article 67, in so far as the special character of such concerns forbids such application.

Concerns may apply to the Central Government for release from the obligations of Articles 70 and 72, on the ground that important public interests make this advisable.

In cases where Clauses 1 and 2 of this article apply, the Shop Committee or in the absence of a Shop Committee, the Shop Council, shall be entitled to bring before the Board of Directors, where such exists, its views and wishes relating to conditions of work and the organization of the factory, and to have them represented through the agency of one or two delegates on the Board of Directors. The Chairman of the Board of Directors shall at once be bound to call a meeting and to put such business on the agenda. The delegates of the Shop Council shall have an advisory voice and a vote at such meeting.

ARTICLE 74—Where the unemployment or dismissal of a considerable number of workers has become necessary on account of the extension, or restriction, or closing down of the factory, or in consequence of the introduction of new technical processes or new factory or working methods, the employer shall be bound as early as possible to consult with the Shop Council—which shall be replaced, in the event of confidential communications, by

the Shop Committee where such committee exists—concerning the manner and extent of the necessary unemployment and dismissals, and concerning the avoidance of hardships in the latter case. The Shop Council or the Shop Committee shall be entitled to demand that corresponding information be sent to the Central Information Bureau or to any unemployment bureau indicated by the Central Bureau.

ARTICLE 75—Where general conditions of employment are to be negotiated with the employer conformably to Clause 5 of Article 66, the employer shall lay his proposals before the Shop Council, in so far as they do not rest on established schedules. Should the parties fail to reach an agreement as to these proposals, either of them may appeal to the Arbitration Committee; the decision of the Arbitration Committee shall be final. Final decisions cannot be laid down relative to the length of the working day.

The same regulations shall apply to any contemplated alteration of conditions of employment.

ARTICLE 76—In factories where over 100 workers are employed the Shop Council may arrange a definite hour or hours for consultation, during which workers shall be entitled to bring forward their wishes and complaints. The fixing of such consultation hours within work hours requires the consent of the employer.

ARTICLE 77—Where the employer, or the factory inspectors, or other authorities conduct an inquiry into an accident, the Shop Council shall appoint a representative who shall be present at such inquiry.

SPECIAL PROVISIONS — APPOINTMENTS

ARTICLE 81—The general agreement (between employers and employed) under the regulations of Clause 8 of Article 78 must include a determination that the appointment of a worker may not be made dependent on his political, military, religious, or trade union activities, on his membership or non-membership in a political, religious or professional organization, or a military association. They may not make appointment dependent on membership of one of the sexes.

The regulations of Clause 1 shall not be valid for those concerns defined under Article 67, in so far as their special aims prevent such application.

Appointments made in virtue of a legislative obligation, trade-union agreement, or in consequence of the verdict of an arbitration committee or an agreed arbitration or reconciliation body, shall in all cases take precedence of such agreement.

The employer shall alone be entitled to appoint a particular employe on the basis of such agreement without co-operation

or supervision of the workers' or staff council.*

ARTICLE 82—In the case of contravention of such agreement, the Workers' or Staff Council shall be entitled to appeal within five days of knowledge of such contravention, but not later than fourteen days after the effective beginning of the appointment.

The Workers' or Staff Council must state their reasons for appeal and submit their proofs in their negotiations with the employer.

Should no agreement be reached in the course of these negotiations, the Workers' or Staff Council may appeal within three days of the conclusion of such negotiations to the competent appeal body or an agreed arbitration authority.

Appeal against an appointment and appeal to the Board of Appeals or other arbitration authority shall not have power to delay or to cancel the appointment.

ARTICLE 83—The decision of the Board of Appeals as to the appointment shall be final. The appointee shall have a fair hearing before such decision is given. Should the decision amount to a statement that there has been a breach of the agreement, a further statement may be included to the effect that the appointment shall be counted as terminated, with due regard to any required legal notice, as soon as the verdict of the Board of Appeals comes into force. The verdict shall be legally binding as between the employer and the appointee.

ARTICLE 84—Workers who have received notice of dismissal from their employer may appeal within five days of such dismissal by applying to the Workers' or Staff Council:

1. If there be reasonable ground for assuming that such dismissal has been made in consequence of membership of either sex, on account of political, military, religious, or trade-union activities, or on account of membership or non-membership in a political, religious, professional, or military association;
2. If such dismissal be made without reason being given;
3. If such dismissal be made on account of the refusal of the worker permanently to perform work other than that to which he was appointed;
4. If such dismissal appear to be unjust and a hardship, not motivated by the conduct of the worker or the state of the works.

Should such dismissal further be made without any notice, on the alleged ground that notice is not legally required, appeal may lie in virtue of the fact that such alleged reason is disputed.

One important aspect of the law concerns the relations of the shop councils with the old trade-union organizations. Whatever may be the individual attitude of the rival organizations to one another, the intent of the bill to make the one complementary to the other is plain. Article 46 permits no misunderstanding of the law's intent:

The provisions of this law do not concern the competence of the economic organizations of employes and servants to further the interests of their members.

From other sections it is clear that the law is not intended to drive the trade unions from their chosen field of activity. Article 35 provides that the shop councils shall see to the fulfillment of the collective labor agreements (originally concluded by the trade unions), and that, if such agreements do not exist, they shall co-operate in the establishment of terms of labor "in deliberation with the economic associations of employes that may be concerned therein." Most evidential is the proviso that if, by a collective agreement, a different method of labor representation be binding on the establishment, the shop councils are not included in that industry, and if they already function, they must be dissolved. It should, furthermore, be noted that the shop councils can sanction strikes only after consultation with representatives of the unions, where the two organizations co-exist.

It should be added that the present law does not satisfy the Independent Socialists, who clamored for a measure much more radical, fashioned after the Soviet pattern; the bill was especially opposed also by both conservative or "right" parties on the ground that it constituted a radical interference with the big industrial working systems. Much skepticism has been expressed in Germany over the workability of the new system, and future conflicts are predicted. Owing to its wide ramifications, it will be a matter of from one to two years before its feasibility or failure is established. The number of shop stewards to be placed in power is estimated at over 500,000.

*The shop council is divided into the Workers' Council, proper, and the Council of Office Staff, &c.

Revolution in Italian Factory Management

Documents of the Recent Struggle That Gave the Labor Unions New and Unprecedented Powers

THE documents herewith presented reveal a most important stage in the attempt of Italy to readjust the relationship between labor and capital. The experiment differs in extent and manner from all other Government experiments of the kind, though many private concerns have tried with varying degrees of success to bring about a more equitable co-operation in isolated cases. Bonuses, profit-sharing, and a certain representation on the executive boards of industries had been won by the workers, but still the dominance of capital remained comparatively unaffected, as did the principle of the wage as a commodity depending, like any other commodity, on the laws of supply and demand.

Readjustments of this character are taking place also in England, France and the United States, where war imposed the need of obtaining material at constantly rising prices and offered thereby the opportunity to the workers to demand higher wages. After the war the workers held the whip hand over their employers, whose chief customer, the Government, in many cases their only customer, had ceased to buy.

In Italy, however, more than in other countries, special industries had been founded, or existing industries measurably increased, in order to meet the demands of the Government for war material, and the amount of production had depended almost entirely on the amount of raw material from abroad. That is what made the economic post-bellum crisis in Italy more acute than in other countries; in Italy, as in other countries, save in Soviet Russia, the political and social repercussions of the economic situation were merely incidental—pronounced where the Government was weak, but scarcely audible where the Government was strong.

The documents deal therefore with the purely economic phase of the transformation which is going on in Italy, for this was the hypothesis which the Government accepted from both employers and workers when it promised neutrality in the conflict, and intervention as arbitrator only when the conflicting forces seemed to be in sight of some agreement on which it was possible to base legislation.

The Government's decree of Sept. 21 gave force to the agreement reached, which was to be maintained until it could be entirely or partly transformed into legislation. The speech of Premier Giolitti on Sept. 27, printed herewith, explained the whole economic situation, emphasized the position of the Government, and outlined its project for future legislation.

THE MINISTRY'S ATTITUDE

One great problem, however, confronted the Government: Having apparently abdicated, at least during the period of negotiations, its duty to protect private property, could it resume that duty after a *modus vivendi* had been reached without any advantage meanwhile being taken of its apparent weakness by the revolutionary forces, both political and social?

It was natural that, in the circumstances, the revolutionary forces should have exerted themselves to their utmost, and that in maintaining its promised neutrality toward the purely economic conflict the Government should have had great difficulty in drawing distinctions between what was economic and what was political. When in doubt, it had usually held its hand and assumed that this or that demonstration was economic, even though it bore the red flag of anarchy and demanded a political revolution. Only in a very few cases were

property and lives sacrificed; armed force was not employed where it was felt that common sense would ultimately prevail in a civic reaction against disorder.

The Socialist Congress at Bologna repudiated the *modus vivendi* except as a means toward an end—complete government by the workers. On the other hand, it also repudiated dictation from Moscow, and resented the orders of Lenin in attempting to have it discard its leaders because these leaders, especially Turati and Prampolini, had placed the liberty of action of Italian workers above the Russian Soviet. Signor Cicotti said that the little they knew about Russia was enough to remove any illusions as to whether the Soviet system was applicable to Italy. Signor d'Aragona, one of the leaders proscribed by Lenin, and Secretary of the General Confederation of Labor, declared that any attempt to inflict the Russian system on Italy would be followed by widespread unemployment, if not by the more fatal features of the Russian revolution.

BOLSHEVIST DEMONSTRATION

Nevertheless, on Oct. 14, between 3 and 5 P. M., all organized industry was suspended throughout Italy by Socialist orders received from Moscow. Trains stood still wherever they were, and workmen marched out of the factories into the public squares to listen to excited harangues in support of Lenin and Trotzky. It was a demonstration against the *modus vivendi*, against the rational resolutions of the Moderate Socialists at Reggio Emilia, and particularly against the alleged insults to the Moscow Government. It quickly developed into an anarchist demonstration after the workers had returned to their posts. The inconvenience it caused the public was emphatically resented in all but the Socialist press, and large bodies of the middle class implored the Government to take drastic measures.

In the following days, Anarchists and extreme Socialists were arrested by hundreds all over Italy, and the attempts made to rescue them from the police and military were put down in the usual Cripian way. The Milan police raided the paper of Enrico Malatesta, the arch-

Anarchist—Umanita Nuova—and arrested the staff. Malatesta himself was later arrested, and everywhere with the consciousness of the growing support the hand of the Government fell with more and more weight. By the end of October the Government was openly waging war against organized transgression of the law; strikes, even for the purposes of demonstration, became extremely unpopular; workers became more and more loath to assume the responsibilities which the Anarchists among them had hitherto forced them to undergo.

SOCIALIST REVERSES

The activities of the Government were responded to by the public. In the provincial and municipal elections held in the last week of October, the Socialists suffered significant defeats. In the municipalities, or communes, the anti-Socialist bloc polled twice as many votes as the Socialists, winning 64 out of the 80 seats contested.

The result was relatively the same in the larger industrial communes—Turin, Milan, Genoa, Pisa, Florence, Naples, Palermo—which held their elections on Nov. 7. In all, small and large communes, 6,600 had made returns by Nov. 9. Of these 4,700 had been won by the anti-Socialist bloc, 3,400 going to the Liberals and 1,300 to the Popular or Catholic Party. The Socialists were left with only 1,900.

Both Milan and Turin, the centres of the great sequestration of the metal works last September, went Socialist, but while Milan fell completely into the hands of the extremists with the defeat of the candidates put forward by Turati and Treves, the Deputies proscribed by Lenin, the Socialist majority in Turin was only 300, which was considered remarkable in view of the fact that the voters, there, by a large majority, belong to labor unions. A statement issued in Rome on the night of Nov. 9-10 declared a great victory had been won for the anti-Socialist bloc in Florence—where the people celebrated the event—in Genoa, Bari, Pisa and Palermo.

PHASES OF THE MOVEMENT

A curious phenomenon was observed in

Sicily, however: Here where, in the general elections of a year ago, not a single Socialist Deputy had been returned, the municipal elections showed measurable Socialist gains. In Sicily the peasants had seized the great estates and begun to operate them just as the metal workers in the north had seized the factories, but in Sicily there was little political diversion, none of revolution. The Catholic Minister of Agriculture, Signor Micheli, kept the movement well in hand. He expelled the invaders from the royal domains, but on Oct. 23 he published a decree which would regulate the relations between the owners and peasants until legislation could be introduced.

In the metallurgic region of the north, as the *modus vivendi* went gradually into effect, the Government resumed the responsibilities which it had allowed to lapse. It hastened the evacuations, resumed guard over the property when evacuated, and began a systematic arrest of individuals accused of the destruction of life or property during the occupation period.

On Oct. 23 it was announced that the Chamber would be opened on Nov. 18, when the Deputies would immediately proceed to debate the projects of law offered by the Government for legalizing a new relationship between factory owners and the workers and between owners of estates and the peasants.

Meanwhile, the word *controllo*, which in the vocabulary of the Italian proletariat meant merely "collaboration," "co-operation," "participation," "verification," &c., had returned from America with the meaning of "control," which was translated *dominare*. So when the matter comes before the Chamber there is likely to be a lively debate as to just what is meant by the word *controllo* used in the *modus vivendi*. As early as Nov. 7 the Socialist press was attempting to interpret it in the American way: *Cioè partecipazione effettiva degli operai alla direzione degli stabilimenti*. On the other hand, the bourgeois press still adheres to the original Italian meaning: *Cioè come semplice vigilanza da parte degli operai all' andamento delle fabbriche*. The Government, it is under-

stood, will intrench itself in favor of the Italian interpretation—*si schiererà in favore della interpretazione italiana*.

The following documents throw light on every step of this remarkable quasi-revolution in Italy. The prelude occurred in August, when a demand from the metal workers for an increase in wages, &c., was refused by the employers. On Sept. 2 the employers declared a lockout of the men, and the Federation of Italian Metal Workers answered the lockout by directing the workers to occupy the factories and continue at work. The text of these and succeeding documents is given herewith:

(1) *Employers' Lockout Order, Sept. 2*

The General Council of the National Federation of Employers in the Metal and Engineering Trades is of opinion that the policy of obstruction has already degenerated into a condition of absolute anarchy within the factories; that it has created an opportunity for a concealed white strike, has brought production to an almost complete standstill, entailing a useless consumption of coal and raw material, has provoked repeated outbursts of violence against the person and of sabotage against property, and has, in fact, already created in the engineering and metal industry so grave a situation that the owners have only abstained from closing down the works because desirous to prove themselves animated at all points by a conciliatory spirit.

They are unable to continue to adopt this attitude in view of the latest acts of violence committed by the workers, who have not only occupied the Milan factories, but have even proceeded to interfere with the liberty of the person, including that of the very President of the committee charged with the conduct of negotiations.

They appeal to public opinion in denunciation of the attitude of the workers' organizations, who, having entirely failed to return any serious answer to the contentions advanced by the owners, have taken upon themselves the responsibility of breaking off negotiations and have urged and authorized violent acts.

The council resolves that firms members of the federation shall proceed to close down their works as per the instructions issued by the various associations, and states that only in the event that the existing abnormal and illegal state of affairs should be terminated will the owners, on the basis of the considerations advanced during the first phase of the negotiations, be prepared to examine the demands of the workers' organizations.

[From the *Corriere della Sera*, Sept. 2, 1920.]

(2) *Declaration by Federation of Italian Metal Workers, Sept 3*

The Turin owners having already attempted a lockout in their factories, the owners' federation announced its resolution not so much to proceed to a general lockout as to authorize owners to close down.

The Committee of Action, therefore, had foreseen the action of the owners at its meeting of the day before yesterday and had already instructed its delegates to return to their constituencies and urge the workers to seize all factories at the first sign of a lockout. The prompt decision taken by the F. I. O. M. [Federation of Italian Metal Workers] has thus nullified the decision of the owners. The workers have everywhere prevented the interruption of work in spite of the fact that the owners have everywhere tried to remove the technical staff by threatening them with dismissal.

However, the resolution taken by the owners remains to prove that the whole responsibility for the damage caused to production and the disturbance occasioned falls to their account. It is true that while passing their resolution—a resolution which, professing to be only a simple lockout, really means war to the knife—they at the same time pretend, as soon as an abnormal situation has ceased to exist, to be willing to discuss the workers' demands. But in order to force the owners to a concession such as this, it has been necessary to use obstruction, and the workers have been obliged to occupy the factories. Let us hope that the workers' firmness in continuing their policy of struggle and self-sacrifice will end in inducing the owners to take further steps along the path toward a solution.

Meanwhile the struggle has caused some bloodshed. At Genoa some of our comrades became the victims of the Government musketry during the assault on the factories. And because the press, which is indignant at the alleged outrages on the personal freedom of owners and managers, is entirely unmoved at the fate of the victims of the rights of property—rights more sacred than human life—do we salute these victims in the name of the whole proletariat of the metal industries, and determine to continue the struggle with the firm intention of winning it.

The occupation of the factories in no way alters the orders issued before the period of obstruction. We therefore urge upon all workers the desirability of avoiding any useless waste of time in the factories. All should direct their efforts toward preventing the disorganization of the works and toward making good the absence of the technical staff. All meetings and reunions should be held outside work hours, i. e., during meal hours and at change of shifts.

[From *Avanti!*, Sept. 3, 1920.]

POSITION OF GOVERNMENT

The orders of the Federation were obeyed by the workers with extraordinary unanimity and discipline, and factories were occupied in nearly all the large industrial centres. The Government tried to effect a settlement, but the employers refused its proposals; the Government then made it plain that it would not use force to eject the workers from the factories, as this could not be done without bloodshed.

On Sept. 7 there was a conference at Milan of the General Federation of Labor and of the executive of the Socialist Party, at which it was decided to support the F. I. O. M.'s action. On Sept. 8 the Employers' Federation met and passed a resolution demanding evacuation of the factories as a condition for resuming negotiations (document 3 below). On Sept. 12 an important conference of the workers at Milan decided to hand over to the General Confederation of Labor the direction of the movement (document 4). The Committee of Action of the Federation then put before the Government the suggestion of the workers (document 5).

The Prime Minister, Signor Giolitti, now intervened. What amounted to an ultimatum was presented to the employers calling upon them to accept the principle of workers' control. The employers gave way on Sept. 17 (document 6). An agreement was arrived at between the two sides at a meeting under the chairmanship of Signor Giolitti (document 7). On Sept. 19 a Government decree was issued appointing a commission to give effect to this agreement (document 8). The General Federation issued a statement giving an account of the movement and of its action (document 9), and the Prime Minister in a speech to Parliament defended the position of the Government (document 10).

The documents follow:

(3) *Resolution of the Employers' Federation*

The conference of delegates of the owners' group of the General Federation of Employers has examined the situation arising out of the conflict in the engineering and metal workers' industry. In view of the fact that the National Federation of Em-

ployers in the Metal and Engineering Trades called the attention of the workers' organizations, from the very outset of the negotiations, to the difficult situation in which this branch of Italian industry had come to be; that the workers' organizations, having accepted discussion on this basis, suddenly and brusquely put an end to it, possibly realizing the impossibility of refuting the facts and arguments advanced by the owners in proof of the difficulties confronting the Italian metal and engineering trades; in view of the fact that the determination of wage scales cannot be divorced from the conditions and financial capacity of the employer; that, on the other hand, the workers in the engineering and metal trades, by losing, in the course of the last six months, one-fifth of their working time and diminishing to a greater degree their already scanty output, have provided a yet better proof of the contention that the economic conditions they enjoy are in fact such as to permit them—as in truth they do—to make a voluntary sacrifice of part of their earnings; express full approval of the action of the National Federation of Employers in the Metal and Engineering Trades, and deplore the fact that the F. I. O. M. should have chosen to break off negotiations without any attempt at reference to wider labor organizations.

They further note that the policy of obstruction, when used as an instrument of economic struggle, tends to give a bad name to an industry as a whole rather than to the employer only, and above all to impoverish the country by a wasteful consumption of imported fuel and imported raw material, and draw attention to the seriousness of the acts of violence committed in the course of the illegal and arbitrary occupation of the factories by the workers in the metal trade and in the course of the undue appropriation of industrial stocks and goods. They note that, in view of the repetition of acts directed against liberty of the person, against the rights of property, against public law and order, acts which have assumed the complexion of public crimes and of a subversion of the constituted order of society, the Government, under a pretension of neutrality, has concealed its hesitation not merely to keep law and order, but to maintain the position of the State as a superior body or force, representative of the national interest, armed both with the will and the capacity to guarantee the security of civil and of social life.

And further note the ill-success of the phenomenon of control by the workers, notwithstanding the fact that they were as yet in a position to take advantage of the accumulation of stocks and of the organization existing within each factory before its occupation. They declare that no Italian industry can survive if positively deprived of its security, and that there is no possibility for the reopening of negotiations until the struggle shall have been reconfined to its economic aspects and discipline and author-

ity shall have been re-established in the factories.

They once more assert that, as long as the sound instincts of the nation shall continue to realize the gravity of the situation and shall rally to the conception of their duties and functions, the employing class considers itself bound, in the general national interest and at the cost of any sacrifices, to refuse recognition to a state of affairs in which industry can be made the battleground of successful attempts at the subversion of the political order, which would conduce to the ruin of the country, and to abstain from resigning those functions of direction which it considers essential to the task of economic reconstruction. The Conference commissions the Presidents to follow the further development of the struggle in co-operation with the National Federation of Employers in the Metal and Engineering Trades.

[From the *Corriere della Sera*, Sept. 8, 1920.]

(4) *Resolution of the Workers*

The National Council of the General Federation of Labor, after communication of the reports of the General Secretary of the F. I. O. M. and of the Executive Committee of the federation, as to the steps taken with a view to arriving at a satisfactory solution of the struggle which has arisen between employer and worker, and after noting the resolution passed at the conference at Milan on Sept. 5, 1920, agrees that the logical cause of the failure to arrive at any solution of the struggle must be ascribed to the obstinacy of the employer. The conference is of opinion that the extension and importance of the movement do not admit of any solution on the simple basis of the dispute as stated in the metal workers' memorandum, and that this historic moment sees the impossibility of the existing relations between employer and employed; it therefore approves the conclusions come to at the conference of Milan as formulated by the General Confederation of Labor and the Executive Committee of the Socialist Party, and adopts them in its turn, and votes that the movement be directed by the General Federation of Labor, assisted by the Socialist Party. It resolves that the objective of the struggle be the recognition by the employer of the principle of labor control of the factories, hereby proposing to open up a breach toward those larger conquests which must infallibly tend to collective control and to socialization, with a view to an organic solution of the problem of production. Labor control will afford the working classes an opportunity for technical preparation; it will allow them, if they unite to themselves the technical and intellectual classes, who will not be able to deny their assistance to this high task of civilization, to substitute their own authority for that of the employer, which is nearing its setting.

The conference urges the metal workers to maintain with all their force the positions

won, calls on all organizations to obey the instructions issued by the Federation of Labor, and invites the Executive of the (Socialist) party to make such use of its organizations as shall conduce to bringing about in the struggle in the metal workers' trade a definite solution, putting the factories in this trade under the direct control of the workers, in the interests of the community.

And in order that the sacrifice of those who are fighting this bitter battle shall not be rendered of no avail by the financial difficulties which might supervene in the course of a prolonged conflict, the conference resolves that all organizations aid the metal workers in such manner and in such proportion as shall be laid down by the federation. It further charges its executive officers to take such further decisions as the situation shall demand, and reminds the organizations that anything but the strictest obedience will be an act of treachery.

[From *Avanti*, Sept. 12, 1920.]

(5) *Workers' Statement to the Government*

The General Confederation of Labor has examined the problem of production in Italy and has come to the conclusion that in order to obtain that increased output which is absolutely necessary if an equilibrium is to be re-established between consumption (enormously raised by reason of increased demand and new conditions of living) and production (enormously decreased by reason of various factors arising out of the war); in order to reduce imports and thus hasten the restoration of normal exchange; in order, further, to prevent ignorance of industrial conditions from affording an opportunity to the employers, on the one hand, of making unchecked statements, and to the workers, on the other, of advancing impossible claims for improvement of conditions, it is essential that there should be a modification in the relations obtaining between employers and employed. Such modification should tend to permit the latter, through the agency of their trade unions, to be in a position to know the real state of their industry, to be acquainted with its technical and financial workings, and to be able, through the work of their factory delegations (being off-shoots of the trade unions) to co-operate in applying factory regulations, to control the appointment and dismissal of the employees, and thus to inspire the normal life of the factory with the necessary discipline.

In order to attain these aims, the General Confederation of Labor holds it essential to proceed immediately to the constitution of a committee of delegates, with an equal number of representatives from either side, which committee shall work out the details for applying in practice the principle of the control of factories.

[From *Avanti*, Sept. 14, 1920.]

(6) *Employes Accept Principle of Control*

The General Federation of Italian Employers notes that, in spite of the contrary resolutions of the General Federation of Labor, the occupation of factories has spread, which proves either that the real resolution of the federation is very different from its official resolution, or else that such resolution has failed to be observed by the body of workers.

The federation deplors the continued demonstration by Government of its failure to grasp the fact that the occupation of the factories and the violations of personal freedom and liberty committed by the workers have transferred the struggle from the economic sphere to a political and constitutional basis. The federation draws attention to the fact that Italy has been the first of industrial countries to have to submit to such acts of violence, which have been directed against that class of employers who were the very first employers in Europe to introduce the eight-hour day, and to whom is due the successful initiation of the greater part of those social reforms now being carried out by means of the co-operation of the best-known leaders of national production. It states that the employers have no intention of resuming negotiations until they have obtained the evacuation of the factories and thereby obtained recognition of the principle that such methods of struggle are incompatible with any civilized order of society, herein acting in defense of the entire structure of society and preventing the complete discredit and dissolution of the country.

The federation resolves that a legal and normal state of affairs must be restored in the occupied factories, and maintains the positive necessity of the restoration of authority and discipline in the factories, pending the application of the proper regulations; more especially must the authority and prestige of those managers, heads, or employees be restored who have suffered material or moral violence, and the principle be established that no payments can be made for the days of wrongful occupation of the factories, or for the days needed to restore a factory to working order, and that suitable compensation must be provided for damage done.

The federation repeats the statement of its belief that in the interests of an increased production (an essential factor in the national salvation) it is necessary that the existing state of antagonism between the employer and employed class should cease, so that the harmonious co-operation of the employers themselves with their technical and administrative staff on the one hand, and the manual worker on the other, may give rise to an intensified, secure and disciplined progress in production. It consents, provided that the other side be truly inspired by a like intention, to accept the principle of a control of industry to be carried out on

the basis of legislative regulations, granted that such regulations do not establish any monopoly or superiority of the trade union organizations, lay down the principle of the co-operation and joint responsibility of the various factors of production, be carried out to the advantage of the community, and abstain from interfering in the freedom of movement necessary to industrial undertakings. Nevertheless, being now face to face with the Government's announced intention to issue a decree concerning the control of industry, the federation invites the Premier to make its own co-operation—on an equally representative committee mentioned in the decree—absolutely dependent on the contingent evacuation of the factories.

Finally, the federation determines to leave in the hands of the National Federation of Employers in the Metal and Engineering Trades the solution of the economic questions at issue between itself and its own workers.

[From the *Corriere della Sera*, Sept. 17, 1920.]

(7) The Rome Agreement

Under the Chairmanship of his Excellency, Signor Giolitti, after prolonged discussion, the parties came to the following agreement:

In view of the fact that the metal workers demanded, and the employers refused, back payment of wage increases and also payment for the occupation days, and of the fact that the employers in their turn demanded, and the workers refused, compensation for ascertained losses:

In consideration of the difficulty of reckoning output, the parties agree that the new rates of pay, instead of running from the date of the normal resumption of work, shall run from July 15 of the current year, but shall exclude the payment of any other compensation subsequent to the day when the factories were occupied.

In the case of factories occupied which are not included in the metal trades agreement, the general principle of agreement shall be to balance ascertained losses against ascertained output, reserving to any parties the right to proceed to fair and just agreements in all cases.

The eventual sums agreed upon shall be distributed in due proportions to all who were in employment on the day preceding the day of occupation.

Be it noted that the employers' representatives cannot, by reason of the explicit instructions conferred upon them, accept the proposal of the President of the Council with regard to the conditions for the re-admission to work of the workers, and hereby declare that submission to these proposals is only made as to an act of authority, the responsibility for which they leave to Government.

By whose hands the present text has been drawn up and shall remain deposited with

the Cabinet of his Excellency, the President of the council.

[From *Avanti*, Sept. 21, 1920.]

(8) The Government Decree

PRESIDENT OF THE COUNCIL OF MINISTERS

In view of the fact that the General Federation of Labor has formulated the request for modification of the relations hitherto obtaining between employer and employed to the effect that the latter, through the agency of their trade unions, may acquire an opportunity of collaborating [*controllo*] in industry, and that such request was accompanied by a declaration that it was proposed together with the acquisition of such participation to seek an improvement in the disciplinary relations between employers and employed, and to effect an increase in production, an increase which, in its turn, is the necessary preliminary condition for any energetic resumption of the national economic life;

In view of the fact that the General Federation of Employers in its turn is not opposed to the experiment of introducing a plan of collaboration [*controllo*] by the organized workers with the aims and objects mentioned above;

The President of the Council of Ministers takes note of this agreement and

DECREES:

A commission shall be constituted of equal members from each side, consisting of six members named by the General Federation of Employers and six named by the General Federation of Labor, each of these panels to include two members representing technical or office work; such commission to formulate proposals which shall serve the Government as the basis for a bill embodying the organization of industry on the principle of the workers' intervention in technical and financial management or in working administration.

The said commission shall within one week formulate suggestions for solving the questions which may arise out of the application of factory rules and the appointment and dismissal of workers.

Workers of all classes shall resume their employment. Should it, however, prove impossible to re-instate workers or foremen into their former employment, a committee constituted of two members chosen by the employers and two members chosen by the workers shall decide on the measure to be adopted.

GIOLITTI,

President of the Council of Ministers.

Rome, Sept. 19, 1920.

[From *Avanti*, Sept. 21.]

(9) Statement of General Confederation of Labor

The great struggle begun by the metal workers and then extended to other classes of workers is approaching its end with the termination of the referendum taken by F. I. O. M., a referendum which has proved favor-

able to the Rome agreement. Our victory is a victory undimmed by suspicions, doubts, or minor defects; it fills our hearts with joy on account of the conquests we have made, and with pride on account of the magnificent display of discipline by the masses.

Our victory has humiliated the enemy and forced him to confess that a revolution has taken place; nevertheless, it has been the subject of the detraction of certain individuals, who, for motives of revenge or of mean speculation, seek to lessen its greatness in the eyes of the masses. Such attempts must be promptly answered; accusations must be disproved, insolvencies answered by arguments, assertions refuted by proofs, and creative must replace destructive propaganda.

Establishment of Participation in Factory Management [controllo] — Opposition has chiefly concentrated against this aspect of our victory, which has been truly revolutionary in the field of national economy. Our comrades should one and all realize the importance of this change. There is no question—as some are trying to argue—of a project of collaboration. The kind of control we demanded (of our opponents and not of the Government) was a trade union control organized by industry, and not factory by factory. Our opponents have agreed to our demand. The Government, on the request of the employers, intervened, and has decided that a commission of an equal number of representatives from either side shall formulate the terms of a bill concerning *trades union collaboration [controllo]* in the management of factories.

Our victory is thus a double one. First, it is a victory over the employer, who is aware of the importance of the step conceded, and who will try to nullify it by any and every means; second, it is a victory over the Government, which has never dreamed of promoting such a bill, but lowered its flag by agreeing to the proposals of the General Federation of Labor.

The workers should understand that there will be a double system of control. The first part [of the decree?], which treats of the establishment of factory management [controllo] on a legislative basis, admits the principle of complete collaboration of control. The General Federation of Labor will draw up a scheme, according to which such joint management will begin in each factory taken separately and will afford the workers' delegates an opportunity of becoming acquainted with all the financial and technical details of industrial life; in this way it will no longer be possible to conceal the real condition of any industry or to defraud either worker or consumer by the operation of unlimited speculation. We shall also have a wider organization, industry by industry; this will put at our disposition all those factors which combine to keep alive and prosperous, or to kill, a whole industry. Trade unionists will thus be in a position to control attempted speculative movements

and all those causes which produce repeated crises; they will be able to pass their own judgment on the working of our tariff system; they will know which are the favorable markets and which the goods best adapted for those markets; they will have an idea of what the international market is for the exchange of raw materials and manufactured goods, and will be able to lay the foundations, now absolutely lacking, for the future communistic order.

The second kind of collaboration [controllo] will be exercised through the factory delegates, who will be entitled to intervene in questions of factory regulations, appointments and dismissals.

Comrades ought to be in a position to understand that these changed relations amount to a real revolution in the factories and imply the abandonment by the employers of what has hitherto been autocratic power. But it must be stated that the battle on this field is not yet over. The employer, the hostile party man, the obstinate critic of trade unionism, who conceals his want of power under a veneer of pseudo-revolutionary enthusiasm, will try to delay the full fruition of our victory. We are bound to urge the proletariat to keep watch and ward. Frequent meetings should be held to celebrate our victory. Still more frequent discussion conferences should be initiated all over Italy by comrades who have made a thorough study of the problem. Only by these means can we be secure of a final triumph.

Evacuation of the Factories — Besides the special instructions issued by the F. I. O. M. in regard to the metal works, the following general principles apply everywhere: By the terms of the Rome agreement the factories must be handed over again to trade committees. The employer is bound to submit to such committee a statement of the estimated losses which he considers himself entitled to debit against the workers and subtract from the total output; in this connection the attention of the workers should be drawn to the fact that for all works in the metal trade the principle has been conceded of payment for work done during the days of occupation. The trade committees must obtain definite agreements for the immediate reopening of the factories or, after the shortest interval necessary, for the re-establishment of works or of some part thereof. In the case of those workers entitled to holidays, they must follow the example given in the metal trade and try to get the days during which the works remained "closed" recognized as holidays and not as work days.

Re-employment — Signor Giolitti's decree clearly states, and subsequent decrees imply, that the *whole body of employees without exception* shall be reinstated in their employment. At the employers' request the workers shall name two representatives to the joint committee charged with the decision of disputed cases. The workers, like the em-

ployers, are entitled to submit to the committee's judgment the case of managers who in their opinion so conducted themselves toward the employees as to make their continuation in office impossible.

Collection of Funds—The collection of subscriptions, as stated in our preceding instructions, should be continued, but without application to those workers who have taken part in the occupation of the factories. Subscriptions should be forwarded to the General Federation of Labor in the name of the forwarding association. Funds should continue to be collected until all have subscribed a total of ten lire. Members may make a single payment or pay in five instalments, whichever they prefer.

The Committee of Action of the Federation, before dissolving, feels itself bound to convey its warmest thanks to all the organizations for their support of the workers engaged in the struggle, and to the workers their admiration of the faith and discipline which they have displayed.

Further struggles lie in front of us, but final victory must be ours if the workers continue to be, as they have been on this occasion, worthy of the cause which they are defending.

Long live the solidarity of labor!

Long live socialism!

THE COMMITTEE OF THE FEDERATION.

[From *Avanti*, Sept. 26, 1920.]

(10) *Signor Giolitti's Speech*

The questions raised in the course of this serious discussion are of such gravity as to involve the Government's whole position. Not only our home policy, but the future of the country, is at stake. In order to arrive at an exact knowledge of the state of affairs and to have a just idea of the duty which confronts us, I believe it will be proper for me to recall the course of events up to the present moment.

We are face to face with a real change in the social order; it is useless to deny it. Every politician and statesman ought to realize this truth. The advent of the Fourth Estate (Industry) began to be apparent toward the close of the last century, and the attempts then made to arrest its course had evil consequences; these movements are dangerous to regulate and cannot be arrested.

During 1901 and 1902, under the Premiership of Signor Zanardelli, in whose Cabinet I was Minister of the Interior, another vast movement arose, the upshot of which was to establish the right to strike. At that time the town laborer, and to a still greater degree the country laborer, was being paid wages absolutely insufficient to support life. Had the right to strike been denied them, there would have been a violent explosion. Wages were paid amounting to a single lira, and I remember strikes to obtain rises of 25 centimes. As long ago as 1875 Signor Jacini, in his report on an inquiry into agricultural conditions, had shown that in Lom-

bardy itself wages were entirely insufficient for the most elementary necessities of life; well, twenty-five years later wages had sunk still lower. The right to strike is a recognition of the most elementary rights of the free human being. Subsequently, after recognition of this right, wages were more than tripled and agriculture progressed.

The outbreak of the war had certain economic, social and financial results. The trenches were the most opportune fields for propaganda, and all the parties made impossible promises. But those who heard them looked on these promises as rights. Moreover, the habit of serious and orderly work disappeared—and not in Italy alone.

During the period of the war certain special industries arose which were dependent on a single buyer, the State; and the employer consented to grant increases of wages on condition of being allowed to compensate himself by raising his own prices to the buyer. Another consequence arising out of the war was the unpleasant spectacle of an ill-gotten wealth impudently displayed. The country believed that with the end of the war all these results would themselves come to an end. This was a delusion.

We do not share the opinion of Signor Ferraris on the question of Government intervention in straight conflicts between capital and labor. Here the Government ought to be neutral, watchfully neutral, except where its intervention is demanded for conciliatory purposes. Were the Government to intervene each time the workers asked for a rise in wages in order to impose such rise on the employer, it would make industrial life an impossibility.

I advised the employers against proclaiming the lockout, and told them that they must not count on the support of the public authorities; no promises, therefore, have been broken by the Government. It has been argued that the Government ought to have prevented the occupation of the factories, or ought to have caused them to be evacuated when occupied. In order to have prevented the occupation, it would have been necessary to place a garrison in each of the 600 factories (supposing such garrisons could have arrived in time, with lightning speed), and thus to have used up all the forces at the Government's disposal, leaving none with which to deal with the workers outside the factories, and totally neglecting the security of the public. I should have been shutting up the public armed forces in the factories, exposing them to the danger of a siege; or, in order to obtain the evacuation of the factories, a struggle involving grave consequences would have had to take place, while all the time the Labor Federation had guaranteed the movement to be an economic and not a political one. Finally, the positive fact of occupation had had a precedent last year, when the factory of the Mazzonis firm had been occupied. At that time Si-

gnor Dante Ferraris was Minister; he recognized the occupation and dispatched a Government representative to supervise the factory. Ought I to have imitated this example? Would this have been doing my duty in the way pointed out by Signor Ferraris? [Laughter.] At any rate, this dangerous precedent had some influence on later occupations.

But in dealing with so vast a movement it is not possible to apply ordinary standards. The act of the worker in occupying a works from which the owner wishes to have him ejected is an act of defiance; to employ force against him is to punish him with the death penalty. On the contrary, I thought myself called upon to intervene in the relations between employer and employed, and, as the Senate is aware, an agreement has been reached. [Signor Giolitti here read the text of the decree and explained that it aimed at changing the structure of industry, and at allowing the worker to become acquainted with those conditions governing his work which now he had no means of knowing.]

When the worker is acquainted with these conditions he will be able to calculate the directions in which he may put a successful demand. Moreover, the decree prejudices nothing. The joint commission is to formulate proposals which shall serve as the basis for a bill aiming at the organization of industry on the principle of the workers' intervention in technical, financial and working administration. The same commission is to propose principles of factory regulation and of the engagement and dismissal of employes. In this way the worker will take his place as an associate, and not as an enemy, of the employer.

The question of the workers' share in control has not now arisen for the first time. The principle was expressly approved on March 5, 1915, at the meeting of masters' representatives. The Minister of that date

presented himself to Parliament on June 26 with eight legislative projects of great importance, and did not get his vote of confidence until July * * * I also recall the fact that during December, 1919, Signor Reina proposed in the Chamber of Deputies an amendment to the speech from the throne (an amendment voted by a large majority) to the effect that it was desirable to pursue an energetic policy in order to put a stop to the abandonment of estates and to insure the laborers against being thrown out of employment, to the benefit of all classes; and it was further said that Parliament would study methods of proceeding to expropriate estates which had been abandoned or undercultivated, for the benefit of co-operative societies of workers, and that it would introduce joint control of the factories by the workers. It is unjust of Signor Ferraris to be astonished at my having failed to solve the problem in a fortnight, when he did nothing at all, during the whole year he was in office, to prevent those events which have come to a climax in the last few months.

At the present moment factories are being evacuated every day; I hope that regular work will be restarted. The Prefects, the officers and men of the police force have fully done their duty in obedience to the orders they received, and I thank Signor Frascara for his grateful allusion to those of the men who died in defense of their duty. Their memory should be sacred in our eyes, as of soldiers who have fallen for their country.

The Government will weigh any advice from whatsoever quarter, and will try to draft as perfect a bill as possible to lay before Parliament. Whether it be Senate or Chamber which today owns the elements capable of completing this great task, we ought, all of us together, to be convinced that the future of our country chiefly depends on the manner in which the great social question shall be solved.

[From the Corriere della Sera, Sept. 28, 1920]



How Albania Won Independence

By C. A. CHEKREZI

[ALBANIAN REPRESENTATIVE IN THE UNITED STATES]

A YEAR ago there was a widespread belief, not to say conviction, that the prospect of an independent Albania was very precarious. This belief was based on the fact that the young nation was standing out in the world all by itself, with no support from any power, great or small, but, on the contrary, with a great number of enemies who were bent on her complete destruction.

There was Italy, with her claims on the chief seaport of Albania—Valona—and with her demand for a protectorate, which would have nullified entirely the principle of independence. Italy's claims and her willingness to bargain away Albanian territories for concessions elsewhere also opened the door for the dismemberment of Albania. More perilous was the fact that the Peace Conference had favorably passed upon the Italian claims in Albania.

The powerful influence of the Greek Premier Venizelos, whose striking personality outshone every other at the Peace Conference, with his claims on Southern Albania and his readiness to compromise with Italy, was another potent source of danger for the unprotected and defenseless Albanian nation. The claims of Yugoslavia on the northern provinces of Albania, too, constituted a definite force for dismemberment, in view of the fact that England and France were favoring the Yugoslav claims, just as they were supporting the Greek claims—oftentimes for the secret purpose of combating Italy's imperialistic aspirations in Albania.

To make matters still worse, Italy was already in occupation of more territory than she was claiming; some of this she was holding with a view of compromising with her rivals. France was in actual possession of the territories which she was keeping in trust for Greece and Serbia respectively. It is no wonder, then, that there should have existed the belief that the possibility of

an independent Albania was problematical.

What a strange contrast to this outlook is now presented by Albania! And what spectacular changes have taken place within a few months, altering the situation entirely! Somehow the Peace Conference—or its successor, the Supreme Council—has practically held its hands off from Albanian affairs, to the benefit of the little nation. More strange is the revulsion of feeling that must have taken place in high French circles, as evidenced by the action of the French military authorities in turning over to the Albanian Government the vital Provinces of Scutari and Koritza, in May, 1920—provinces which she had been holding with the ultimate purpose of transferring them to Serbia and Greece, respectively.

But the most spectacular event was the struggle with Italy, which began early in June last, and continued until about the end of July, with a complete triumph for Albania. Several weeks of fierce fighting between the Albanians and the Italians ended in the expulsion of the latter from Albania to such an extent that even the powerful and modern fortress of Valona, which was held as a last resort by the Italians, was eventually turned over to the Albanian Government. That Government is now in possession of the territories assigned to the Albanian State by the London Conference of 1912-1913.

Italy, the very power that was fatally in the way of Albania's independence and national unity, not only has been compelled to give up all its claims, which the Peace Conference had recognized, such as the protectorate and the perpetual possession of Valona, but has now become, by the clauses of the Italian-Albanian agreement, signed at Tirana on Aug. 2, 1920, the guarantor of those two essential attributes of sovereignty over the young State, with the result that there exist now the most cordial

relations between the two countries. Thus has Albania won recognition of her Statehood from the power that was most bitterly opposed to it only a few months ago.

The successful termination of the conflict with Italy had also the salutary effect of sobering the claims of the Serbs and the Greeks, to the extent that they were induced to find a *modus vivendi* with Albania. In consequence, the conflicting claims between these two countries and Albania are no longer a cause for direct strife, the agreement being that the issues are to be passed upon by the Peace Conference. In this manner Albania is actually at peace with her neighbors, and the program of the Government is to make that peace permanent.

How was this complete change of policy toward Albania brought about? The answer is clear: It was effected through the instrumentality of the United States Government. The American Government intervened on behalf of Albania, and actually saved her from destruction and dismemberment. The first intervention took place after the Supreme Council had agreed on applying to Albania the provisions of the secret Treaty of London, which partitioned her territories among the Italians, Greeks and Serbians. President Wilson caused this decision to be reconsidered; but immediately upon the departure of the American representatives from the Supreme Council the great European powers, left alone, reverted again to the policy of the dismemberment of Albania. In the session of Jan. 14, 1920, Great Britain, France and Italy decreed anew the complete partition of Albania among the Italians, Serbs and Greeks. When all again seemed lost President Wilson came out in his Adriatic notes, and vigorously opposed the plan of partition. Thanks to the moral influence of America alone, the plan of partition was definitely discarded; the attitude of the President of the United States awakened the dormant liberal forces of Europe, which therewith rallied to the support of the just cause of Albania, with the result that the grim phantom of destruction was forever banished.

Not less striking is the internal transformation that has taken place in Albania within the last few months. The people, who had been distracted and disunited as a result of continuous foreign interference, have found an opportunity to unite and mold themselves into a single national entity, with the transcendent aspiration to preserve the national independence and territorial integrity of their country at all costs. Regional and religious differences, which were formerly played upon by foreign powers, have disappeared to the extent that there is now but one authority over the whole people, the authority of the Central Government established by the representatives of the Albanian people assembled in Parliament—a Parliament to which the Government is strictly responsible. This Government, with its seat at Tirana, has been in undisturbed power for more than a year. It has not only won the confidence of the people, but has also established law and order throughout the Albanian territories, one might candidly say, for the first time since the impotent Turkish occupation made Albania a synonym for anarchy and lawlessness. The turbulent elements that were frequently preying upon the tranquillity of the country, such as the notorious faction of Essad Pasha, have been completely and pitilessly run down by the organized forces of the Government; their leaders have been brought before courts-martial and received exemplary punishment.

The Tirana Government has already set out to organize the nation. Schools are being opened in a country where teaching was deliberately prohibited by former conquering powers, such as the Turks, and negotiations are now being carried on for the establishment of an American university modeled on Robert College at Constantinople. But the chief attention of the Albanian Government is turned toward the development of the large resources of the country, especially its mineral resources, including iron, copper, oil, asphalt, coal, together with the splendid water power the country is provided with. However, in order to make possible this development, the first

essential is the construction of roads, railroads, tramways, and the Government is already out in quest of capital, which the Albanian people want to have come from America. Unfortunately, the fact that Albania has not been recognized by the United States acts as a bar to the employment of American capital in that country. The people are justly wondering why the United States has so far failed to recognize their country

after having done so much for the actual salvation of Albania. Certainly the young State has fulfilled all the requirements for recognition.

There is a widespread desire on the part of the Albanian people to fashion their institutions in accord with American principles, and to have as close commercial and industrial dealings with the United States as possible, to the mutual benefit of both countries.

Internationalizing the Danube

TWO Commissions on the internationalization of the Danube recently met in Paris. The first, presided over by the French representative, was constituted under the Peace Treaties for the purpose of drawing up definitive statutes to govern the navigation of the great river immortalized by Strauss in his "Schöne, blaue Donau." The importance and the difficulty of the undertaking will be appreciated when one realizes that the Danube water system passes through seven different countries and is navigable for a distance of 2,500 miles. Under the Treaty with Austria the Danube is to be linked with the Rhine. When this is done a new waterway from the North Sea to the Black Sea will lie open for internal traffic. The great task is by no means completed, and a number of thorny problems have not yet been solved.

The second International Commission was formed in June, 1920, with the duty of administering the Danube as an international waterway pending the settlement to be finally worked out by the Commission described above. The administrative body is presided over by the British representative, Admiral Sir

E. Troubridge. Cordial co-operation between the French and British representatives has marked the sessions, and much has already been achieved in the interest of a free and international Danube. The most difficult problem of internationalization was solved before the Troubridge Commission came into existence. The Hungarian Soviet Government of Bela Kun had rendered navigation impossible by mining the river. These mines were cleared away in the Autumn of 1919 by Admiral Troubridge's own squadron. Since then the States bordering on the Danube have re-established a considerable body of trade, despite the crippling effect of the coal scarcity. British shipping, especially on the upper and middle Danube, has increased.

A new problem was encountered in dealing with the boycott of Hungary established by the Trade Union International at Amsterdam in the Summer of 1920. Hungary then blocked the river for all supplies en route for Vienna, while Yugoslavia, in response to this action, blocked the river at its own frontier. Both blockades, however, were raised at the request of the Commission.

